

## AGENDA PAPER

**Item Number:** 3

**Date of Meeting:** 4 June 2026

**Subject:** International and Other Activities

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Action required     For discussion     For noting     For information

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### Purpose

To provide an update to the Board on the following:

- The IESBA Board meetings and other activities.
- International and other developments of interest; and
- APESB presentations, submissions and other activities.

### International Ethics Standards Board for Accountants (IESBA)

#### IESBA Board Meetings

The IESBA held an in-person [Board Meeting](#) in New York, USA, from 9 to 12 March 2026. The meeting included the following agenda items:

- Post-implementation Reviews (PIRs) of NOCLAR & Restructured Code;
- Firm Culture and Governance (FCG);
- Role of Chief Financial Officers (CFOs);
- IAASB-IESBA Coordination;
- Adoption & Implementation (A&I);
- Part 4B – Independence Standards for Sustainability Assurance Engagements Outside the Scope of the *International Ethics Standards for Sustainability Assurance (including International Independence Standards)* (IESSA);
- Emerging Issues and Outreach Committee (EIOC);
- Technology;
- Private Equity Investments (PEI) in Accounting Firms;
- IESBA Risks and Opportunities; and
- IESBA SMART Strategy.

Key decisions made and outcomes of the meeting include:

- The IESBA approved stakeholder surveys for the PIRs of NOCLAR and the Restructured Code, to be released in April 2026, with responses reviewed at the IESBA September and December 2026 meetings.
- The IESBA reviewed the FCG project activities, including input from the FCG Dialogue Series and plans for a simulation exercise. Feedback and next steps for developing the FCG framework will be considered at the June 2026 meeting.
- The IESBA received updates on the Role of CFOs project, including academic research, expanded stakeholder surveys, and global outreach. Further outreach is planned in Q1 and Q2, with preliminary findings to be presented at the June 2026 meeting.
- The IESBA reviewed coordination with the IAASB on FCG, technology, and PIRs, agreeing to collaborate to gather further stakeholder input on interoperability matters through the proposed ISRE 2410 (Revised) exposure process.
- The IESBA received updates from the A&I Working Group on jurisdictional profiles, planned outreach to prioritised jurisdictions, revisions to IFAC's Statement of Membership Obligation (SMO) 4, and next steps for the Partnership Framework.
- The IESBA received updates on information-gathering on sustainability assurance engagements outside the International Independence Standards (IIS) scope, noting limited data availability and significant variation across jurisdictions. The Project Team will finish its work in Q2 2026, with the final report and recommendations expected in June 2026.
- The IESBA supported refreshing the EIOC Terms of Reference, including renaming it the Trends and Risks Committee, and encouraged exploring new and external information sources and close coordination with project teams and working groups.
- The IESBA approved the Technology Working Group's (TWG) updated Terms of Reference to strengthen monitoring of technology developments, ethical awareness, and the development of non-authoritative materials (NAMs). The IESBA also reviewed 2026 TWG activities, stressing the need for the timely development of NAMs.
- The IESBA agreed to submit a high-level response to the American Institute of Certified Public Accountants (AICPA) Professional Ethics Executive Committee's (PEEC's) December 2025 [Exposure Draft, Proposed Revisions Related to Alternative Practice Structures](#). The IESBA also agreed to prioritise a workstream assessing whether a standard-setting project or other actions are needed.
- The IESBA reviewed the 2026 risks and opportunities survey, noting volatility, technology-related governance gaps and adoption challenges as key risks. It also highlighted opportunities for global ethics standards to provide stability, clearer public-interest communication, sustained A&I support, regional engagement and responsiveness to change.
- The IESBA received SMART project updates on two parallel workstreams: one to embed the SMART Framework into project planning and delivery, and another to build organisational capability through 15 priority initiatives.

APESB CEO Channa Wijesinghe attended the IESBA Meeting in his capacity as Vice Chair of the IESBA. Refer to Agenda Item 3(a) of this Board meeting for the IESBA March 2026 Board Meeting highlights.

The next IESBA meeting will be held in New York, USA, 8–11 June 2026.

### Keynote Speech from IESBA Chair at APESB's 20th Anniversary Event

In March 2026, the IESBA Chair Gabriela Figueiredo Dias delivered a [keynote](#) address titled “Global Vision, Local Leadership: Advancing Ethics Together” at APESB’s 20th Anniversary Event in Sydney, Australia.

Gabriela’s keynote highlighted the link between global and local standard-setting, the enduring IESBA–APESB partnership, the geopolitical, economic and technological challenges faced by the profession and the vital role of independent ethics standards-setting infrastructure and strong culture and governance in sustaining public trust in capital markets.

### IESBA Launches Workstream on Private Equity Investment in Accounting Firms

In March 2026, the IESBA announced the launch of a dedicated workstream on private equity investment (PEI) in accounting firms, with an ethical focus. The workstream will assess the need for standard-setting to address alternative practice structures, including PEI. Further details are available in the IESBA’s [media release](#).

### IESBA and IAASB complete analysis on Linkages Between ISQM 1 and FCG Viewpoints

In March 2026, the IESBA and the IAASB released an [analysis of the linkages](#) between [ISQM 1](#) and the [IESBA’s FCG viewpoints](#). The analysis explains the linkages between the FCG viewpoints and ISQM 1, highlights their mutually supportive nature and identifies key differences in their objectives, scope, output and focus. Further details are available in the IESBA’s [media release](#).

### IESBA Launches Surveys for PIRs of NOCLAR Standard and the Restructured Code

In April 2026, the IESBA launched two global stakeholder surveys as part of its PIRs of the NOCLAR provisions and the Restructured Code:

- [Survey on the Restructured Code](#) (comment period closes: 3 July 2026)
- [Survey on NOCLAR](#) (comment period closes: 30 July 2026)

The surveys aim to assess whether the standards are achieving their intended objectives and to inform the IESBA’s assessment of whether further actions are necessary regarding these standards. Further details are available in the IESBA’s [media release](#).

In April 2026, the IESBA published a [Snapshot](#) on the PIRs of the NOCLAR Standard and the Restructured Code. The Snapshot explains the PIR’s scope and objectives, the PIR process and how stakeholder feedback will inform the Board’s assessment of whether further action may be required, including expected outputs and timeline for the project.

### Launch of the Joint IAASB–IESBA User Advisory Group

In April 2026, the IESBA and the IAASB launched a Joint User Advisory Group (UAG) to provide a dedicated channel for users of financial statements and other external reporting to inform global standard-setting directly. The group will meet periodically throughout the year to provide practical input on the IAASB’s and the IESBA’s priorities, projects and broader initiatives. Further details are available in the IESBA’s [media release](#).

## International and Other Developments

### International Auditing and Assurance Standards Board (IAASB)

In May 2026, the IAASB released an [Exposure Draft](#) that proposes revisions to ISRE 2410, *Review of Interim Financial Information by the Independent Auditor of the Entity's Annual Financial Statements*, with comments due on 3 September 2026.

The proposals clarify the nature of interim review engagements, strengthen requirements in areas such as going concern, fraud and NOCLAR, and enhance transparency in the review report. The IAASB coordinated closely with the IESBA in developing these proposals to align ethical considerations and is seeking feedback on how the IESBA Code applies to interim reviews. Further details are available in the IAASB's [media release](#).

### International Federation of Accountants (IFAC)

#### *IFAC Revises Statements of Membership Obligations to Strengthen Global Accountancy Profession*

In March 2026, the IFAC revised its [Statements of Membership Obligations \(SMOs 1–7\)](#), effective 1 April 2026. The revisions introduce targeted refinements to reflect developments in quality management, professional education pathways, and expanded corporate and public sector reporting, and to support the continued modernisation of the IFAC Member Compliance Program. Further details are available in the IFAC's [media release](#).

### Monitoring Group

#### *Emily Fitts appointed Chair of the Monitoring Group*

In March 2026, the Monitoring Group appointed Ms Emily Fitts as its new Chair, effective 5 March 2026, succeeding Mr Ryan Wolfe. Ms Fitts, the SEC's Deputy Chief Accountant, brings over twenty years of experience in public accounting and public service, including leadership in audit quality, standard-setting, and complex national and global audit engagements. Further details are available in the Monitoring Group's [media release](#).

### Public Interest Oversight Board (PIOB)

#### *Monitoring Group Approves Term Extensions for PIOB Board Members*

In March 2026, the Monitoring Group extended Ms Tshego Modise's term as Chair through to 31 December 2027. It also approved extending the terms of PIOB members Mr Philippe Christelle, Mr Tom Furusawa and Mr Mark Smith, each in their second term, to 31 December 2027. Further details are available in the Monitoring Group's [media release](#)

#### *The PIOB SSB NOMCO issues new global invitations for applications to the IESBA and IAASB*

In March 2026, the PIOB issued invitations to apply to the IAASB and the IESBA for terms of service commencing 1 January 2027, with applications due on 3 May 2026.

- The [IESBA Invitation for Applications](#) is for one practitioner and two non-practitioners.
- The [IAASB Invitation for Applications](#) is for three practitioner vacancies.

Further details are available in the PIOB's [media release](#)

## **The International Forum of Independent Audit Regulators (IFIAR)**

### **IFIAR marks 20 years at its 2026 Plenary Meeting**

The IFIAR marked its 20<sup>th</sup> anniversary at the 2026 IFIAR Plenary Meeting, hosted by France (H2A) on 21–23 April 2026. Representatives from 50 IFIAR Member jurisdictions met in Paris to discuss key developments and emerging trends in the audit market and approve IFIAR's 2026–2031 Strategic Plan. Further details are available in the IFIAR's [media release](#).

### **IFIAR releases 2026 Report on the use of technology in audits**

In April 2026, the IFIAR released its 2026 Report on [Use of technology in audits – Innovation and audit quality](#), addressing how rapid advancements in technology continue to reshape audits globally while introducing new risks. The report forms part of a series issued by IFIAR's Technology Task Force. Further details are available in the IFIAR's [media release](#).

### **IFIAR releases 2025 Report on Annual Survey of Audit Inspection Findings**

In April 2026, the IFIAR released its [2025 Inspection Findings Survey](#), the 14<sup>th</sup> annual survey of inspection findings arising from its Member regulators' individual inspections of audit firms affiliated with the six largest global audit firm networks.

The 2025 survey reported that 35% of inspected audit engagements had at least one finding, compared with 34% in 2024. The percentage of findings declined from 47% in 2014 to 26% in 2022, before increasing annually to reach 35% in 2025. The three-year rolling average has also increased, from 30% to 33%. Further details are available in the IFIAR's [media release](#).

## **UK Financial Reporting Council (FRC UK)**

### **Innovative new guidance supports audit firm adoption of emerging AI technologies**

In March 2026, the FRC (UK) published [Generative and Agentic AI Guidance](#) for audit firms on the use of generative and agentic AI tools in audit engagements. It sets out how firms can mitigate AI-related risks to audit quality while leveraging the significant efficiency and quality benefits these tools offer. Further details are available in the FRC's [media release](#).

### **FRC strengthens oversight of PIE audit firm restructuring**

In March 2026, the FRC (UK) published updated [PIE Auditor Registration Regulations](#) and accompanying [PIE Auditor Registration Guidance](#) in respect of its PIE Auditor Register (PAR), strengthening its oversight of audit firm restructuring and reducing administrative burdens on PAR-registered audit firms. The Regulations and Guidance took effect on 20 April 2026. Further details are available in the FRC's [media release](#).

## **Australian Securities & Investments Commission (ASIC)**

### **ASIC accepts cancellation of company auditor registration after raising independence concerns**

In April 2026, ASIC accepted Mr Douglas Trood's cancellation of his company auditor registration following concerns about his alleged non-compliance with auditor independence and conflict of interest requirements under the *Corporations Act 2001* and APES 110.

Mr Trood was found to have audited a large proprietary company while maintaining a long association with the client for over 34 years and concurrently serving as its non-executive director, secretary and non-beneficial shareholder. These matters created significant self-interest and familiarity threats to auditor independence that were not appropriately addressed. Further details are available in the ASIC's [media release](#).

## **Tax Practitioners Board (TPB)**

### *TPB consults on draft guidance for the use of artificial intelligence by tax practitioners*

In March 2026, the TPB released [draft guidance](#) on the use of artificial intelligence (AI) and the Code of Professional Conduct for public consultation. The draft guidance highlights key considerations for tax practitioners when using AI, including competence, confidentiality, supervision and control, and professional judgment, while also emphasising that practitioners remain responsible for their services, regardless of whether they use AI tools. The consultation period closed on 21 April 2026. Read the TPB's [media release](#).

On 21 April 2026, APESB made a [submission](#) to the TPB on its draft guidance on the use of AI and the Code of Professional Conduct. APESB supports the TPB's proposed information sheet, as it will be an important resource for registered tax practitioners to understand and comply with their obligations under the TPB Code when using AI in the provision of tax services.

### *Consultation opens on proposed changes to the TPB sanctions regime*

In April 2026, the Treasury released [draft legislation](#) that would give TPB stronger regulatory powers and sanctions. The draft legislation would introduce criminal penalties for unregistered tax return preparers; increase civil penalties; enable infringement notices and enforceable voluntary undertakings; allow contingent and interim suspensions; introduce new civil penalty provisions; and extend the reapplication ban for terminated practitioners to 10 years. Public consultation closed on 24 April 2026. Further details are available in the TPB's [media release](#).

## **APESB Submissions, Presentations and Other Activities**

### *APESB 20-Year Anniversary Event*

On 26 March 2026, APESB marked its 20th Anniversary with a dinner event for key stakeholders in Sydney, featuring a [keynote](#) address by the IESBA Chair, Gabriela Figureido Dias and a congratulatory message from the IFAC President, Jean Bouquot. The Board also acknowledged its 116 taskforce members for their active contributions to the development of APESB's standards over its two decades of operations.

APESB released a [20th Anniversary Booklet](#) that captures the Board's significant achievements over the past two decades, with a particular focus on the second decade.

The highlight videos and recordings of the speeches are available on the APESB's [website](#).

### *APESB Submission to the IESBA's Role of CFO Survey*

On 20 April 2026, APESB completed the IESBA's Role of CFOs [survey](#). In the survey, APESB highlighted the expanding roles undertaken by CFOs, such as risk management, compliance, internal controls, sustainability/ESG reporting, technology, data governance and AI oversight. APESB noted technology and AI as the most significant underlying cause of ethical challenges for CFOs. APESB also recommended prioritising ethical leadership and culture, technology, data and AI governance, and addressing pressures, incentives, and organisational dynamics.

### Australian Roundtable to inform the development of IAASB & IESBA Work Plans for 2028-31

On 16 April 2026, APESB and the Auditing and Assurance Standards Board (AUASB) held a joint virtual roundtable for Australian stakeholders to share views on IAASB-IESBA Work Plans for 2028-31, as part of informing responses to the IESBA's and IAASB's Joint Stakeholder [survey](#). The discussion focused on the SSB's Strategic Positioning 2023-2031, key trends impacting the SSBs, and areas for joint actions in the SSB's Work Plans. The roundtable slides are available on APESB's [website](#).

### The Institute of Chartered Accountants of Sri Lanka, Australia Chapter

On 21 April 2026, APESB CEO Channa Wijesinghe delivered a presentation to the Institute of Chartered Accountants of Sri Lanka, Australia Chapter. The presentation covered the APESB's role and mandate, APESB pronouncements, Code of Ethics, Technology-related revisions, and the ethical implications of AI and Sustainability. The presentation slides are available on APESB's [website](#).

### Presentation on AI at the CA ANZ Accounting Conference

On 21 May 2026, APESB CEO Channa Wijesinghe will present at the CA ANZ Accounting Conference, delivering a session titled "Navigating the Code of Ethics through an AI Lens". The presentation will explore how the Code of Ethics addresses the ethical considerations when professional accountants use AI in their work, offering practical examples and guidance to support ethical decision-making and leadership in AI-enabled organisations. Further details are available on the CA ANZ's [website](#).

### Joint Trans-Tasman Roundtable on Post-Implementation Reviews on the Code of Ethics

On 3 June 2026, APESB and the External Reporting Board (XRB) will host a joint virtual roundtable to inform responses to two IESBA stakeholder [surveys](#) that form the PIRs of the NOCLAR provisions and the Restructured Code. The roundtable will provide an opportunity for Australian and New Zealand stakeholders to share views on whether the standards are achieving their intended objectives, and to help inform any actions the IESBA may need to take in response. Further details are available on APESB's [roundtable invitation](#).

## **Recommendation**

That the Board note the update on international and other activities.

## **Materials Presented**

Agenda Item 3(a) IESBA March 2026 Board Meeting highlights

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