APESB

Accounting Professional & Ethical Standards Board

Meeting Highlights

4 September 2026

1. Register of Interests

The Board noted Agenda Item 2 *Register of Interests.*

2. International and other activities

The Board noted Agenda Item 3 *International and Other Activities.*

The Board discussed the impact of AML/CTF reforms, noting the increased administrative burden on Members and the readiness of software solutions to assist compliance.

3. Sustainability Reporting, Assurance and Ethics Developments

The Board noted Agenda Item 4 *Sustainability Reporting, Assurance and Ethics Developments.*

The Board noted that the AASB discussed disclosing sustainability-related assurance fees at its 27 August 2026 meeting and agreed to adopt a monitoring approach rather than undertake standard-setting activities. APESB will continue to monitor this AASB project.

4. Proposed APES 206 *Conformity with Sustainability Reporting Standards*

The Board noted Agenda Item 5 *Proposed APES 206 Conformity with Sustainability Reporting Standards.*

The Board considered the outcome of the due process relating to Exposure Draft 01/26 *Proposed APES 206 Conformity with Sustainability Reporting Standards*. The Board noted the definition of General Purpose Frameworks required amendment to align with the Code.

The Board approved the issue of APES 206 *Conformity with Sustainability Reporting Standards*. APES 206 is effective from 1 January 2027, with early adoption permitted.

The Board also agreed to undertake a project for a narrow scope amendment to APES 210 *Conformity with Auditing and Assurance Standards* addressing independence considerations for sustainability assurance engagements.

The Board agreed to include a broader structural review of APESB's conformity standards in its 2029 work plan, as part of the future post-implementation review of APES 206.

5. Post-Implementation Review of APES 320 *Quality Management for Firms that provide Non-Assurance Services* and APES 325 *Risk Management for Firms*

The Board noted Agenda Item 6, *Post-Implementation Review of APES 320 Quality Management for Firms that provide Non-Assurance Services and APES 325 Risk Management for Firms.*

Following its post-implementation review of APES 320 and APES 325, the Board determined that no amendments are required at this time.

The Board agreed to undertake research into AML/CTF and privacy laws reforms and their impact on APESB pronouncements. The impact of AI as well as developments arising from the IESBA Firm Culture and Governance project will continue to be considered through existing APESB projects.

6. Update on IESBA's Firm Culture and Governance project

The Board noted Agenda Item 7 *Update on IESBA's Firm Culture and Governance project.*

The Board received an update on the IESBA's Firm Culture and Governance project, noting that the IESBA is considering a targeted update to the IESBA Code with a single, new, high-level overarching requirement and related application material.

7. Update on IESBA's project on Independence Standards for Sustainability Assurance Engagements outside the scope of the IESSA

The Board noted Agenda Item 8 *Update on IESBA's project on Independence Standards for Sustainability Assurance Engagements outside the scope of the IESSA.*

The Board noted that the IESBA is not planning to undertake standard-setting activities at this point for independence standards applicable to sustainability assurance engagements outside the scope of Part 5 of the IESBA Code.

8. Project update on the Impact of AI on Forensic Accounting and Valuation Services

The Board noted Agenda Item 9 *Project update on the Impact of AI on Forensic Accounting and Valuation Services.*

The Board considered the draft guidance and illustrative examples on the use of AI in forensic accounting and valuation services, noting it was structured around seven themes, including confidentiality, data security and professional judgement.

APESB Technical Staff will conduct further stakeholder engagement on the draft guidance and will present the Board with a revised draft at the November 2026 Board Meeting.

9. Review of APESB Due Process and Working Procedures Document

The Board noted Agenda Item 10 *Review of APESB Due Process and Working Procedures Document.*

The Board approved the proposed revised APESB Due Process and Working Procedures document, subject to further consideration of APESB's post-implementation review process.

10. Update on the Auditor Independence Guide Project

The Board noted Agenda Item 11 *Update on the Auditor Independence Guide Project.*

The Board noted that the tender process for the sixth edition of the *Independence Guide* is underway, and the Invitation to Tender document is available on the APESB website. Submissions from prospective consultants are due by 30 September 2026.

11. Update on Parliamentary Inquiries

The Board noted Agenda Item 12 *Update on Parliamentary Inquiries.*

The Board received an update on parliamentary inquiries and Treasury consultations affecting the profession, prompted by ethical failures related to confidentiality breaches and mishandling of a whistleblower.

The Board noted key matters in APESB's submissions to recent Treasury consultations:

- On the Treasury Review of Whistleblowing, APESB's submission called for extending corporate whistleblowing protections to partners and employees of large accounting and audit partnerships, flagged a growing divergence between the tax and corporate regimes, and supported an independent body to receive whistleblower disclosures.
- On Treasury's Options Paper on the Regulation of Firms, APESB's submission argued that recent failures reflect individual and firm non-compliance rather than gaps in the standards, with the real issue being monitoring and enforcement. The Board cautioned against reforms duplicating the existing co-regulatory framework and against multidisciplinary-firm reforms affecting smaller firms, noting that APES 325 already addresses firm governance. It also cautioned against mandating structural separation and supported the ten-year tendering mechanism over mandatory audit firm rotation.