AGENDA PAPER

Item Number:	5
Date of Meeting:	25 November 2026
Subject:	International and Other Activities

☐	**Action required**	x	**For discussion**	x	**For noting**	☐	**For information**

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 Madrid, Spain, from 14 to 18 September 2026. The meeting included the following agenda items:

- Firm Culture and Governance (FCG);
- Role of Chief Financial Officers (CFOs);
- Strategy & Work Plan (SWP) 2028 - 2031;
- Technology;
- Post-Implementation Review (PIR) of the Restructured Code;
- Private Equity and Other External Investments in Accounting Firms (PE&OEI);
- Adoption & Implementation (A&I);
- IESBA Strategic Priorities; and
- IESBA SMART Strategy.

Key decisions made and outcomes of the meeting include:

- The IESBA considered an update on coordination with the IAASB and plans for FCG-related non-authoritative materials (NAM) and other supporting materials. The IESBA also deliberated the first-read draft of the proposed FCG provisions. A revised draft will be considered at the IESBA October 2026 meeting, with a view to approving an exposure draft in December 2026.
- The IESBA accepted the Role of CFOs' Project Team's recommendations not to commence a CFO-specific standard-setting project or extend the Code's scope beyond

professional accountants in business (PAIBs) at this stage. Instead, the IESBA will develop and pilot NAM for PAIB CFOs and those who support them. Pilot testing activities will be considered at the IESBA December 2026 meeting.

- The IESBA reviewed feedback from the joint IAASB–IESBA stakeholder survey on key environmental trends and potential strategic objectives for its next SWP. At its next Board meeting, the IESBA will consider the first draft of the SWP 2028–2031 Consultation Paper.
- The IESBA supported the plan for targeted NAM on the ethical implications of generative and agentic AI. The IESBA will consider the draft NAM and the next steps on alliances between firms and AI and other technology providers at its December 2026 meeting.
- The IESBA considered survey responses to the PIR of the Restructured Code, focusing on the Code's clarity and usability. The IESBA agreed to take certain near-term actions, including enhancing the Guide to the Code, updating the electronic Code and improving its functionality, and clarifying the Code's drafting conventions. An implementation plan will be considered at the IESBA December 2026 meeting.
- The PE&OEI Project Team provided updates on its information-gathering activities, including desktop research, stakeholder outreach, and the development of a joint IESBA–IAASB Action Plan. In December 2026, the IESBA will receive an update on the themes, issues and insights emerging from Q4 2026 activities.
- The A&I Working Group provided updates on the coordination with IFAC, jurisdictional outreach and progress monitoring, the IESSA adoption status information on the IESBA website, operationalisation of the Partnership Framework, and the development of IESBA Staff Q&As and joint IESBA-IAASB FAQs.
- The IESBA considered its strategic priorities and agreed that the workstreams on FCG, PE&OEI in accounting firms, technology, A&I and related activities remain high priority through the end of the current strategic cycle in December 2027.

Refer to Agenda Item 5(a) of this Board meeting for further information on the IESBA September 2026 Board Meeting.

The IESBA held a virtual meeting on 29 October 2026. At this meeting, the IESBA Board performed the second reading of the proposed FCG provisions and discussed the draft consultation paper for its SWP 2028-2031. Further details are available at Agenda Item 11: Update on Key IESBA Projects.

The next IESBA meeting will be held in New York, USA, 7 to 10 December 2026.

IAASB and IESBA Annual Report

In September 2026, the IAASB and the IESBA released the *2025 Joint Annual Report, Building Trust Through Dialogue, Leadership, and Standards*, highlighting a year of global engagement, strengthened collaboration, and continued commitment to advancing high-quality international standards in the public interest. The 2025 highlights include:

- 246 strategic meetings and other stakeholder engagements worldwide;
- 47 publications including standards, consultations, handbooks, and implementation resources;
- 105 Board members, technical advisors, and volunteers from 27 jurisdictions; and
- 83 translations of 40 publications into 35 languages.

Further details are available in the IESBA's media release.

IESBA 2026 Handbook released

In September 2026, the IESBA released the *2026 Handbook of the International Code of Ethics for Professional Accountants (including International Independence Standards)*, which includes the IESBA's sustainability-related standards and the new IESBA standard on using the work of an external expert.

The 2026 Handbook consists of two volumes:

- Volume 1 incorporates Parts 1 to 4B of the Code, including the revisions relating to using the work of an external expert and sustainability reporting-related revisions; and
- Volume 2 contains Part 5 of the Code relating to *International Ethics Standards for Sustainability Assurance (including International Independence Standards) and Other Revisions to the Code Relating to Sustainability Assurance*, including the provisions addressing *Using the Work of an External Expert*.

Further details are available in the IESBA's News.

IESBA launches new monthly LinkedIn Newsletter, Ethics Matters

In October 2026, the IESBA launched Ethics Matters, a new monthly LinkedIn newsletter to help accountants stay abreast of evolving ethics and independence standards and navigate ethics and independence challenges worldwide. It provides timely updates on IESBA's standard-setting activities, publications, outreach, events, and other developments, and introduces the people behind IESBA's work. Further details are available in the IESBA's media release.

International and Other Developments

International Auditing and Assurance Standards Board (IAASB)

IAASB launches Interactive Digital Technology Catalog

In October 2026, the IAASB launched an interactive digital version of its Technology Catalog, making it easier for stakeholders to explore emerging technologies and related developments affecting audit and assurance and see how the IAASB is considering them across its work program. It complements the semi-annual PDF edition of the Technology Catalog. Further details are available in the IAASB's media release.

International Federation of Accountants (IFAC)

Virtual registrations open for World Congress of Accountants 2026

In September 2026, IFAC announced the opening of virtual registration for the World Congress of Accountants (WCOA) 2026, hosted jointly with the Korean Institute of Certified Public Accountants (KICPA) from November 17–19, 2026, in Seoul, South Korea. The event will bring together over 600 professional accountants and stakeholders to hear the latest perspectives on topics such as AI and the future of accountancy, sustainable development and stronger institutions, and attracting the next generation of leaders to the profession. Further details are available in IFAC's media release and the latest program information.

APESB Chair, The Hon. Peter Garling RFD, SC, will represent the Board at WCOA 2026. An oral update on the event will be provided at the Board meeting.

New Global Principles from IFAC put people at the heart of a thriving accountancy profession

In October 2026, IFAC launched new global principles, *Thriving Together: 6 Principles for a Resilient Accountancy Profession*, which provide organisations, leaders, and individuals with a practical framework for creating healthy and sustainable professional environments. The principles support fulfilling careers, sustainable performance, and a resilient profession. Further details are available in IFAC's media release.

Public Interest Oversight Board (PIOB)

The PIOB publishes its 2025 Public Report

In September 2026, the PIOB published its 2025 Public Report, which sets out the PIOB's value to the Public Interest and summarises its Oversight and Nominations work and stakeholder engagement in 2025. Further details are available in the PIOB's media release.

UK Financial Reporting Council (FRC UK)

FRC sets out vision for modern and effective regulation

In September 2026, the FRC (UK) published *Our Approach to Regulation*, which sets out how the FRC's operations, activities and functions work together to maintain confidence in the UK's corporate governance, corporate reporting, audit, and actuarial sectors. It demonstrates how the FRC is embedding the principles of good regulation set out in the Regulators' Code and utilising its regulatory tools to safeguard trust while enabling growth. Further details are available in the FRC's media release.

FRC report highlights rising accountancy student numbers in the UK and ROI

In September 2026, the FRC (UK) released the 24th edition of its *Key Facts and Trends report*, an overview of the UK accountancy and audit landscape. This report shows that student numbers in the UK and the Republic of Ireland (ROI) increased between 2024 and 2025. This is despite student numbers decreasing worldwide and follows declining numbers in the UK and ROI in recent years. Further details are available in the FRC's media release.

Public Company Accounting Oversight Board (PCAOB)

PCAOB adopts amendments to its quality control standard

In September 2026, the PCAOB adopted amendments to certain provisions of QC 1000, *A Firm's System of Quality Control*, and related amendments to PCAOB forms and the QC reporting rule. The amendments improve alignment with other quality management standards and seek to reduce compliance costs without compromising the protection of investors and the production of informative, accurate, and independent audit reports. Further details are available in the PCAOB's media release.

PCAOB updates standard-setting, research, and rulemaking agendas after first-ever public comment period

In September 2026, the PCAOB updated standard-setting, research, and rulemaking agendas, reflecting the Board's current priorities and stakeholder feedback. This is the first time the PCAOB sought public comment to inform these agendas and reflects Chairman Demetrios (Jim) Logothetis' desire to ensure all perspectives are considered during standard-setting and research activities. Further details are available in the PCAOB's media release.

PCAOB Staff Update on 2025 Inspections of Public Company Audits shows continued audit quality improvement

In October 2026, the PCAOB released the *Staff Update on 2025 Inspections of Public Company Audits*. Staff observed continued improvement in audit quality across a broad range of inspected firms. Part I.A deficiency rates (where audit firms failed to obtain sufficient appropriate evidence to support their opinions) declined across several firm categories, including the Big Four U.S. firms, and in several audit areas that historically generated significant inspection findings. Further details are available in the PCAOB's media release.

American Institute of Certified Public Accountants (AICPA)

AICPA Releases Guidance to Help Auditors Address the Use of AI in Financial Reporting and Auditing

In October 2026, the AICPA issued *Artificial Intelligence (AI) Considerations for Financial Statement Auditors* to help auditors understand and respond to the use of AI in business processes and financial reporting. The practice aid also covers the implications when AI is used by auditors in performing the financial statement audit. Further details are available in the AICPA's media release.

AICPA Seeks Feedback on Revised Ethics Guidance for Alternative Practice Structures

In November 2026, the AICPA announced that its Professional Ethics Executive Committee (PEEC) will seek public comment on a new exposure draft of proposed changes to the AICPA Code of Professional Conduct related to alternative practice structures, including those involving private equity investment.

The revisions clarify independence and conflict of interest requirements, refine the definitions of alternative practice structures and closely aligned entities, and expand the application of network firm and covered member requirements. Further details are available in the AICPA's media release.

Association of Chartered Certified Accountants (ACCA)

AI is now a defining ethical challenge for the accountancy profession

In October 2026, ACCA published *Navigating Ethics for Trust*, which shows a dramatic increase in the number of professional accountants who rank AI use as the leading ethical challenge (61%, up from 32%). Ethical leadership (43%) and ethical culture (39%) remain among the top ethical challenges. Additionally, 50% of respondents agreed that ethical challenges have become more difficult to resolve, and 53% witnessed unethical behaviour in the past three years. The report also includes a toolkit that provides a practical 10-step process for applying the IESBA Code in real situations. Further details are available in the ACCA's media release.

Financial Reporting Council (FRC)

Establishing External Reporting Australia's standard-setting boards

In September 2026, the FRC released a draft determination for public consultation. The determination will establish External Reporting Australia's (ERA) standard-setting boards, combining the functions and powers of the AASB, AUASB and FRC from 1 December 2026. It will establish ERA's boards for accounting standards, auditing and assurance standards, and sustainability standards, and sets out each board's functions and powers, how the boards operate, consult and make decisions, and reporting requirements.

Submissions closed on 15 October 2026, with roundtables also held in October 2026 to gather feedback. Further details are available in the FRC's media release.

Australian Securities & Investments Commission (ASIC)

ASIC and APRA commence consultation on FAR streamlining

In September 2026, ASIC and APRA commenced consultation on proposed changes to streamline aspects of the Financial Accountability Regime (FAR). The proposals include removing key functions requirements from the FAR regulator rules and no longer requiring information on accountable persons' direct reports in accountability maps.

These changes aim to reduce regulatory burden for entities, while ensuring regulators have the information they require to oversee the regime. Subject to consultation feedback, the regulators intend to finalise the changes by the end of 2026, with effect from early 2027. Further details are available in ASIC's media release.

CADB suspends registration of former PKF Brisbane auditor Cameron Bradley

In September 2026, the CADB suspended the registration of former PKF Brisbane auditor Cameron Bradley until 30 June 2028. The CADB determined that Mr Bradley had failed to properly and adequately perform his duties as an auditor when auditing the financial assets of three managed investment schemes. In particular, he failed to obtain sufficient appropriate audit evidence, exercise professional scepticism and professional judgement, and prepare sufficient audit documentation. Further details are available in ASIC's media release.

ASIC issues consolidated reporting and auditing relief instruments

In September 2026, ASIC made two consolidated instruments, *ASIC Corporations (Annual and Half-year Reporting) Instrument 2026/468* and *ASIC Corporations (Auditing) Instrument 2026/469*, as part of its ongoing commitment to regulatory simplification.

The consolidated instruments bring together 17 existing relief instruments covering financial and sustainability reporting and auditing requirements. They do not introduce substantial policy changes, but improve clarity, consistency and ease of use by bringing the relief into a more streamlined framework. Further details are available in ASIC's media release.

ASIC surveillance shows financial reporting and audit quality continues to fall short

In October 2026, ASIC released REP 842 *ASIC's oversight of financial reporting and audit 2025–26,* highlighting that financial reporting and audit quality continue to fall short of expectations.

During the year, ASIC reviewed 353 financial reports comprising 311 companies and 42 registrable superannuation entities (RSEs), and expanded its audit surveillance program to 25 audit files of 19 companies and 6 RSEs across 12 audit firms, with three audit files selected where independence concerns had been raised about the signing partner from ASIC's work on auditor independence and conflicts of interest. The surveillance found that preparers of financial reports and auditors are still not getting the fundamentals right.

ASIC reported audit findings from the six largest audit firms (BDO, Deloitte, Ernst & Young, Grant Thornton, KPMG and PwC) and required these firms to undertake self-assessments and implement action plans to address identified weaknesses, including auditor independence and conflict-of-interest practices.

Key information and findings in the report related to ethical requirements and auditor independence include:

- An auditor from a small firm failed to provide evidence of their compliance with ethical and independence obligations (page 22).
- Analysis of auditors' self-assessment of compliance with independence and conflicts of interest requirements (pages 26 – 28)
- Outcomes of surveillance on auditor independence, including a court enforceable undertaking, infringement notices, voluntary cancellations of auditor registration and corrective actions required (page 32).
- Rotation requirements were breached by 6 auditors in various situations (page 35).

Further details are available in ASIC's media release.

ASIC review on insolvent liquidation process and outcomes

In October 2026, ASIC published a new report and data examining liquidation processes and outcomes for key stakeholders. Report 843 *Review of court and creditors' voluntary liquidation process: 2021–2025* (REP 843), examined 26,664 grouped appointments (7,023 court liquidations and 19,641 creditors' voluntary liquidations *(*CVLs)) for the period 1 July 2021 to 30 June 2025.

The review found that the simplified liquidation process, introduced in 2021, remains rarely used. Only eight simplified liquidations were adopted in 2024–25, equivalent to around 0.2% of CVLs with reported liabilities not exceeding $1 million. Liabilities not exceeding $1 million are only one of several statutory eligibility criteria.

Tax Practitioners Board (TPB)

TPB terminates registration of Western Sydney company for serious misconduct

In September 2026, the TPB terminated the registration of C&N Southwest Sydney Pty Ltd for serious breaches of the Code of Professional Conduct and for ceasing to meet registration requirements. A maximum non-application period of 5 years was imposed.

The breaches included providing false or misleading information to the TPB, ASIC, and ATO, mixing clients' refunds with business and personal expenses, and allowing a disqualified entity to provide tax agent services. Further details are available in the TPB's media release.

Financial Crimes Squad charge accountants and money mules for alleged involvement in multi-million dollar fraud scheme

In September 2026, the NSW Police Financial Crimes Squad charged a Bankstown accounting firm's director and two employees, along with two alleged money mules, over their alleged involvement in a multi-million dollar fraud and money laundering syndicate.

The syndicate allegedly used stolen personal information to obtain car, personal, business and home loans from multiple financial institutions. The accountants allegedly exploited their positions to approve and facilitate fraudulent loan applications. Further details are available in the ATO's media release.

TPB provides guidance on reforms to sanctions powers

In September 2026, the TPB published information on its new sanctions powers under the *Treasury Laws Amendment (Strengthening Accountability for Tax Adviser Misconduct and Other Measures) Bill 2026*. The powers will enable the TPB to respond more effectively to serious misconduct and non-compliance by registered tax practitioners and unregistered entities. Further details are available in the TPB's media release.

TPB terminates tax agent company over client verification failures

In October 2026, the TPB terminated Xact Taxation's registration for multiple breaches of the Code of Professional Conduct. The company kept false interview sheets and proof of identity records and falsely claimed document verification checks. The company also offered clients payments not to act against it. Further details are available in the TPB's media release.

TPB Annual Report 2025-26

In October 2026, the TPB published its 2025-26 Annual Report, highlighting its work to protect consumers, support tax practitioners and strengthen the integrity of the tax system and profession. The report also provides further information on the TPB's activities, outcomes and performance during the year. Further details are available in the TPB's media release.

APESB Submissions, Presentations and Other Activities

CPA Australia's Forensic & Financial Investigations Discussion Group

On 30 September, APESB CEO Channa Wijesinghe presented to CPA Australia's Forensic & Financial Investigations Discussion Group. The presentation covered recent updates to the Code and the ethical considerations that arise when professional accountants use AI in their work. APESB's draft guidance and case studies on the use of AI in forensic accounting and valuation services was also presented and discussed with the group. The presentation also outlined APESB's responses to Treasury's consultations relating to the regulation of the accounting profession and proposed whistleblowing amendments. The presentation slides are available on APESB's website.

CA ANZ's Forensic Accounting Conference

On 12 November 2026, APESB Director Mr Brian Morris will participate as a panel member at CA ANZ's Forensic Accounting Conference. The session will focus on educating forensic accounting specialists about the emerging obligations and considerations for expert witnesses when using AI, with an emphasis on practical implications rather than debating the future direction of regulation.

IPA Executive Management Program 2026

On 18 November 2026, APESB CEO Channa Wijesinghe will deliver a presentation for the IPA Executive Management Program 2026 at IPA. The presentation will cover APESB's role and mandate, the structure of APESB pronouncements, the IESBA Code, Technology-Related Revisions, the use of Artificial Intelligence (AI), Tax Planning and Related Services and Sustainability.

International Anti-Corruption Conference (IACC)

On 3 December 2026, APESB CEO and IESBA Vice Chair Mr Channa Wijesinghe will participate as a panel member at the International Anti-Corruption Conference (IACC), speaking in Plenary V - *Leading with Integrity in an Unstable World: Business as a Force for Transformation*, held in Punta Cana, Dominican Republic. This plenary brings together companies and leaders actively defending ethical practices and standards, engaging the next generation of leaders and entrepreneurs, and redefining success beyond profit.

United Nations Development Programme (UNDP)

On 3 December 2026, APESB CEO and IESBA Vice Chair Channa Wijesinghe will attend the United Nations Development Programme (UNDP) multi-stakeholder event *Professional Service Providers: Connecting Global Standard-Setting with National Implementation*, held in Punta Cana, Dominican Republic. The event aims to advance global efforts to standardise regulatory regimes for professional service providers, facilitate peer learning on national implementation and connect it to global discussions, and identify priority actions for 2027.

Recommendation

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

Materials Presented

Agenda Item 5(a) IESBA September 2026 Board Meeting highlights

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