



Australian Government
Financial Reporting Council

117th FRC meeting

26 March 2026

Public papers

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PUBLIC AGENDA – 117TH FRC MEETING

Date: 26 March 2026

Time: 11:30 – 16:30

Location: Sydney NSW

Members and guests of the Financial Reporting Council (FRC) may attend the meeting in person or via Microsoft Teams. Members of the public may attend the meeting via Microsoft Teams by registration only. Members of the public should register their interest in attending the public sessions no later than 24 hours in advance of the meeting by emailing secretariat@frc.gov.au detailing their:

- Name
- Affiliation
- Contact details

Item	Report by	Time
<i>Morning tea</i>		11:00
PRIVATE SESSION		
Private session matters		11:30- 12:30
PUBLIC SESSION		
1. Introduction		13:00
A. Acknowledgement of country B. Attendees and apologies C. Declarations of interest	Chair	
2. Environmental scan		13:05
A. Member reflections	All	
3. Monitoring and influencing international developments per ASIC Act s 225(2)(e) to (2)(f) and s 225(2A)(f) to (2A)(g)		13:15
A. XRB update B. International and regulatory developments	XRB Chair All	
<i>Lunch</i>		13:30 15:30 NZT

Item	Report by	Time
4. Update on integrity in the accounting and audit profession including member Q&A	CA ANZ	14:20 16:20 NZT
5. Oversight of Australian Standards (Accounting and Auditing) per ASIC Act s 225(1) to (2A)		15:00
A. Australian Accounting Standards Board 1. Financial reporting update 2. Sustainability reporting update B. Auditing and Assurance Standards Board 1. Financial auditing and assurance update 2. Sustainability assurance update	AASB Chair AUASB Chair	
6. Public Sector Advisory Group update per ASIC Act s 225(2)(g), (2)(h)(i) and s 225(2A)(g), (2A)(h)(i)	PSAG Chair	15:45
7. Auditor Review Working Group update	Chair	16:00
8. Other business		16:15
A. International funding B. Correspondence received and sent C. Key action items summary	Chair Secretariat	
Next meeting: 3 June 2026 – Sydney	Chair	16:30
<i>Meeting close</i>		

OUR PURPOSE

The FRC oversees the effectiveness of the financial reporting framework in Australia. Its key functions include:

- the oversight of the accounting and auditing standards setting processes for the public and private sectors;
- providing strategic advice in relation to the quality of audits conducted by Australian auditors; and
- advising the Minister on these and related matters to the extent that they affect the financial reporting framework in Australia.

The FRC also monitors the development of international accounting and auditing standards, furthers the development of a single set of accounting and auditing standards for worldwide use and promotes the adoption of these standards.



ATTENDEES AND APOLOGIES

The attendees and apologies for this meeting are listed below.

ACTION

- FRC to note.

Participants – FRC members	Organisation
Andrew Mills	Chair
Keith Kendall	AASB Chair
Doug Niven	AUASB Chair
Rachel Grimes	
Pru Bennett	
Alison White	
Emma Herd	
Amy Fox	

Guests	Organisation
John Kensington (online)	XRB
Wendy Venter	XRB
Claire LaBouchardiere	ASIC
Luci Tucker (online)	ASIC
Justin Williams	AASB/AUASB
Charis Halliday	AASB
Anne Waters	AUASB
Rene Herman	AUASB
Vanessa Chapman	CA ANZ
Damian Ogden	CA ANZ
Amir Ghandar	CA ANZ
Kristen Wydell	CA ANZ
Kim Demarte	Treasury

Observers	Organisation
Michael Latchford	FRC Secretariat
Zahia Aicken	FRC Secretariat

Apologies	Organisation
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ITEM 1C
26 MARCH 2026

DECLARATIONS OF INTEREST

ACTION

FRC members to:

- declare any interest that may be relevant (having regard to the meeting agenda and functions of the FRC)
- confirm the accuracy of the attached Declarations of Interest.

Attached are members' declarations of interest.

FINANCIAL REPORTING COUNCIL – REGISTER OF INTERESTS
as at 18 March 2026

FRC Member	Stakeholder / Professional / Organisational Affiliations	Employment / Other Positions Held	Other Interests
Mr Andrew Mills	Graduate member, Australian Institute of Company Directors Chartered Tax Advisor, The Tax Institute (Life) Fellow, CPA Australia Fellow, Australian Institute of Governance	Principal Fellow/Associate Professor, University of Melbourne Law School Chair, NSW Independent Planning Commission Member, The Board of Taxation (Acting Chair until 31 March 2026) Member, External Reporting Board (NZ) Member, Tax and Transfer Policy Institute Advisory Board Member, Melbourne Law School Tax Advisory Board Executive Committee Member, International Fiscal Association Australia Branch	Director and Secretary, Ajay Investments Pty Ltd Member of Ajay Superannuation Fund (SMSF) that holds interests in listed securities and PE partnerships Son is Director, EY QANTAS Chairmans Lounge
Dr Keith Kendall	Member, New Zealand Accounting Standards Board Member, Investment Committee, Royal Historical Society of Victoria Chartered Tax Advisor, The Tax Institute Member, CA ANZ Fellow, CPA Australia Graduate, Australian Institute of Company Directors	Chair and CEO, Australian Accounting Standards Board Chair, Asian-Oceanian Standard-Setters Group (AOSSG) Co-Chair, International Forum of Accounting Standard Setters (IFASS) Treasurer, Samuel Griffith Society Finance Director, Rugby Victoria	Director/shareholder/beneficiary: <ul style="list-style-type: none"> • Cuffe Walk Pty Ltd • Kendall Control Pty Ltd • The Kendall Control Trust • The Keith Kendall Family Trust
Mr Doug Niven	Fellow, Chartered Accountants Australia and New Zealand	Chair and CEO, Auditing and Assurance Standards Board	Nil

FRC Member	Stakeholder / Professional / Organisational Affiliations	Employment / Other Positions Held	Other Interests
	Member, New Zealand Auditing and Assurance Standards Board	Member, IAASB and IESBA Stakeholder Advisory Council	
Ms Emma Herd	Fellow, Chartered Accountants Australia and New Zealand	<p>Partner, Climate Change and Sustainability Services, Ernst and Young Oceania</p> <p>Member, Queensland Land Restoration Fund Investment Panel</p> <p>Member, Green Building Council of Australia (GBCA) Green Star Advisory Board</p>	<p>Director, EMLH Pty Ltd</p> <p>Former CEO of Investor Group on Climate Change</p> <p>Former Environment Commissioner with the Greater Cities Commission</p> <p>Former Head of Sustainability and Executive Director at Westpac Institutional Bank</p> <p>Former Board Member, Carbon Market Institute</p> <p>Former Co-Chair, Australian Sustainable Finance Institute</p> <p>Taxonomy Technical Expert Group (ASFI TTEG)</p>
Ms Pru Bennett	<p>Fellow Institute of Chartered Accountants</p> <p>Graduate Member Australian Institute of Company Directors</p> <p>Member Singapore Institute of Company Directors</p>	<p>Partner, Brunswick Group</p> <p>Member of the Advisory Council for Oasis Capital Hong Kong</p> <p>Member of the Sustainability Advisory Council for Link REIT</p> <p>Member of the Advisory Council of the Hong Kong Corporate Governance Institute Sustainability Academy</p> <p>Council Member Asian Corporate Governance Association</p>	<p>Director of Bened Pty Limited</p> <p>Director of Milliam Pty Limited</p> <p>Director of Brunswick Advisory Pty Limited</p>

FRC Member	Stakeholder / Professional / Organisational Affiliations	Employment / Other Positions Held	Other Interests
		Member of Deakin University Integrated Reporting Centre Advisory Board	
Ms Rachel Grimes AM	Graduate, Australian Institute of Company Directors Fellow, Chartered Accountants Australia and New Zealand (CAANZ) Fellow, Certified Practising Accountant Australia (CPAA) Fellow, Institute of Practising Accountant (IPA)	Director, Hub24 Limited Director, Australian Payments Plus Limited Director of the Accounting Professional Standards and Ethics Board (APESB) Chair of Surfing Australia Finance and Risk Committee Director, Angus Knight Pty Ltd Member of the Board of Platinum Asset Management Limited Member of the Board of DigiCo Infrastructure REIT Member of the Boards of HMC Capital Partners No1 Pty Ltd, HMC Capital Partners No.2 Pty Ltd, HMC Capital Partners No.3 Pty Ltd	Trustee of P Grimes Employee Provident Fund (Family SMSF owns Aust and International managed funds and listed shares)

FRC Member	Stakeholder / Professional / Organisational Affiliations	Employment / Other Positions Held	Other Interests
		Chair of ASX listed Global Long Short Fund Limited (ASX Code GLS)	
Ms Amy Fox	Fellow, CPA Australia, Fellow, Chartered Accountants Australia New Zealand, Graduate, Australian Institute of Company Directors	Department of Finance, Australian Government	Nil

FRC Member	Stakeholder / Professional / Organisational Affiliations	Employment / Other Positions Held	Other Interests
Ms Alison White	Deloitte	<p>Partner, Assurance & Advisory; National Leader: Accounting & Corporate Reporting</p> <p>Member, Property Council of Australia National Roundtable</p> <p>Member, Board of Advice of The University of Sydney – Discipline of Accounting, Governance and Regulation</p>	



ITEM 2A
26 MARCH 2026

MEMBER REFLECTIONS

ACTION

- FRC to note contemporary and relevant matters.

Members to update the FRC with contemporary and relevant matters from their fields of expertise including domestic and international events that may impact the Australian external reporting space.



ITEM 3A
26 MARCH 2026

XRB UPDATE

ACTION

- FRC to note.

The XRB Chair will present a report for internal viewing only.



REGULATORY/INTERNATIONAL DEVELOPMENTS

ACTION

- FRC to note.

Attachment A provides a summary of recent key releases from regulators and relevant international matters.

Attachment B is the link for Global Regulatory Report for January 2026 that summarises globally significant public policy and regulatory developments impacting the accounting and auditing profession.

ATTACHMENT A

RECENT MEDIA RELEASES

Regulator updates – ASIC Reporting and audit update – Issue 3 ([link](#))

- ASIC increased regulatory focus on sustainability reporting, releasing eight educational modules (with the AASB) and signalling further workshops and guidance in 2026 to support implementation.
- ASIC refused several applications for sustainability reporting relief where proposed reporting approaches conflicted with AASB S2 and AASB 10, involved structures not recognised as a reporting parent, or did not demonstrate that compliance would create an unreasonable burden.
- New Form 398 Copy of sustainability report and auditor’s report introduced for lodgement of sustainability reports (and related audit reports), formalising digital submission and making reports publicly accessible via the ASIC register.
- ASIC issued infringement notices to 12 large proprietary companies for failing to lodge FY24 audited financial reports on time, identifying financial reporting non-lodgement as an enforcement priority for 2026.
- The Treasury Laws Amendment (Strengthening Financial Systems and Other Measures) Act 2025, passed on 27 November 2025, extends temporary modified liability settings to certain ‘protected statements’ in sustainability reports and related auditor reports.
 - The changes cover voluntary sustainability reports, relief condition reports under ASIC orders, and their accompanying auditor reports, limiting legal action to ASIC enforcement or criminal proceedings.
 - The amendments also extend assurance requirements and ASIC’s directions powers to these reports, with updates to be reflected in ASIC Regulatory Guide 280 (RG 280) and related FAQs.
- RG 26 ‘Resignation, removal and replacement of auditors’ updates reflect changes to the auditor removal and cessation process for AFS licensees. Changes streamline processes for appointment/removal of AFS licensees through the ASIC portal. There is no change for an application for ASIC consent to resign as auditor of an AFS licensee, which is dealt with via Form FS08.

Other updates

AASB

- On 16 March 2026, the Trustees of the IFRS Foundation [announced](#) that the AASB was accepted as a member of the Sustainability Standards Advisory Forum (SSAF) for the three-year period between 2026–2028.

Financial reporting bodies merger

- On 12 February 2026, the Assistant Treasurer introduced the *Treasury Laws Amendment (Financial Reporting System Reform) Bill 2026*, which would reform the FRC, AASB and AUASB into a single body to be known as External Reporting Australia (ERA).

- ERA will be led by a Governing Council as the accountable authority which will set up and authorise technical standard setting boards to undertake day to day standard setting functions.
- The introduction of the legislation follows consultation between 30 October 2025 and 27 November 2025, where Treasury received 20 submissions, 4 of which are confidential.
- Subject to the passage of legislation this sitting, a transition period will commence on 30 June 2026 at the earliest, and External Reporting Australia will commence on 1 November 2026 at the earliest.

International (See Attachment B – Global Regulatory Report for other bodies)

IFRS

- The IFRS foundation has [confirmed](#) that IFRS Accounting Taxonomy 2025 remains the applicable version for 2026 reporting, with no content or technology changes and that the next annual update is expected in the first quarter of 2027.
- [IFRS Accounting Standards - Required and 2026 are now available](#). Standards are effective from 1 January 2026. They include the amendments to six IFRS Accounting Standards introduced by:
 - Amendments to the Classification and Measurement of Financial Instruments
 - Annual Improvements to IFRS Accounting Standards—Volume 11
 - Contracts Referencing Nature-dependent Electricity
 - the revised IFRS Practice Statement 1 Management Commentary.
- [IFRS Taxonomy Consultative Group is seeking new members to join from 1 August 2026](#). Applications close 27 March 2026.
- [Capital Markets Advisory Committee is seeking new members to join from 1 January 2027](#). Applications close 14 August 2026.

ISSB

- [ISSB issues targeted amendments](#) to GHG emissions disclosure requirements in IFRS S2 Climate-related financial disclosures.
 - Changes provide relief and clarification to support companies in applying the Standard, while keeping investor information needs in focus and minimising disruption to jurisdictions that are in the process of adopting/using the Standards.
 - The amendments are effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

Appointments

IAASB

- Welcomed James Ferris as a new Board member following appointment by PIOB. James Ferris was appointed for a three-year term.

IASB

- [Carolina Rubio Oset joined the Global Preparers Forum.](#)

IESBA

- Welcomed Jon Walters as a new Board member following PIOB appointment.

GRI

- Appointed Susanne Stormer as Chair of the Global Sustainability Standards Board.

IFRS

- [IFRS Foundation Trustees announce the appointment and reappointment of IFRS Advisory Council members.](#)
- [IFRS Foundation announces new appointments to the Capital Markets Advisory Committee: Deborah Taylor, Jungyeon \(Jay\) Seo and Xiaolu Wang.](#)
- [Joong-Kyung Choi and Yaprak Baltacioglu are appointed as IFRS Foundation Trustees.](#)

ATTACHMENT B

The Global Regulatory Report for January 2026 can be accessed using the following link:
[Global Regulatory Report | IFAC.](#)

The report highlighted the following concerning the accounting and auditing profession:

International bodies

IAASB

- Launched a joint global stakeholder survey with IESBA to inform their 2028–2031 Strategies and Work Plans.

IPSASB

- Issued IPSAS 51 on accounting for tangible natural resources held for conservation, such as land, trees and water.
- Released IPSASB SRS 1 on Climate-related Disclosures to guide reporting of climate risks and opportunities, developed with support from the World Bank.

IFAC

- Published the 2026 edition of the Handbook of International Education Standards. The handbook compiles International Education Standards (IES) 1–8.
- Welcomed new members from 18 jurisdictions to its advisory groups on Accountancy Education, Accountancy Organization Development, Business Advisory and Small and Medium Practices.

Comparable jurisdictions

Canada

- AcSB leadership met with international counterparts in Toronto to discuss how work of the respective Boards may assist the IASB in forming its future agenda.
- Canada’s oversight body announced Andrew Newman as the next Chair of PSAB.

United Kingdom

- The Financial Conduct Authority (FCA) launched a long-term review into how AI may reshape retail financial services through to 2030 and beyond.
- Professional bodies responsible for preparing ethical standards have published guidance for members on using AI in tax work.



INTEGRITY IN THE ACCOUNTING AND AUDIT PROFESSION

ACTION

- CA ANZ to provide verbal presentation to members on developments in integrity and accountability in the audit and accounting profession.
- FRC members to note.

Following suggestions at the 10 December FRC meeting, Chartered Accountants Australia and New Zealand (CA ANZ) were invited to present on developments in integrity and accountability in the audit and accounting profession.

Background

In recent years, matters in the accounting and audit profession have been considered through inquiries and reports by Parliamentary and government bodies, including the:

- **Parliamentary Joint Committee on Corporations and Financial Services (PJC):** Structural Challenges in the Audit, Assurance and Consultancy Industry (2024) and Regulation of Auditing in Australia (2020)
- **Senate Finance and Public Administration References Committee:** Management and assurance of integrity by consulting services (2024), PwC: The Cover-up Worsens the Crime (2024) and PwC: A calculated breach of trust (2023)
- **Financial Reporting Council:** Oversight of Audit Quality in Australia—A Review (2023) and Auditor Disciplinary Processes: Review (2019).

Alongside this, professional accounting bodies including CA ANZ have undertaken actions to promote confidence in the sector. In December 2025, CA ANZ published its [Professional Standards, Regulation and Conduct Annual Report](#) for FY25. Priorities for 2025-26 include enhancing the Quality Review program, further development of technology tools to assess compliance with professional indemnity requirements and increased educational initiatives focusing on ethics and AML CTF requirements.



ITEM 5A.1 & 5A.2
26 MARCH 2026

**AASB CHAIR REPORT – FINANCIAL REPORTING UPDATE AND
SUSTAINABILITY REPORTING UPDATE**

ACTION

- FRC to note.

The AASB Chair provided the following:

- AASB Highlights for Q1 2026.
- AASB Chair Report covering key activities undertaken during December 2025 – February 2026.
- AASB Chair Report Sustainability Report covering key activities undertaken during December 2025 – February 2026.



ITEM 5B1 & 5B2

26 MARCH 2026

AUASB CHAIR REPORT - FINANCIAL AUDITING AND ASSURANCE AND SUSTAINABILITY ASSURANCE UPDATE

ACTION

- FRC to note.

The AUASB Chair provided a report covering the key activities undertaken by the AUASB from Dec 2025 – Feb 2026.



ITEM 6

26 MARCH 2026

PUBLIC SECTOR ADVISORY GROUP

ACTION

- FRC to note the PSAG information.

Chair of the PSAG, Amy Fox, to provide a verbal update about the PSAG meeting on 16 March 2026.



AUDITOR REVIEW WORKING GROUP UPDATE

ACTION

- FRC Chair to report
- FRC to note

The last meeting of the Auditor Review Working Group was held on 10 February 2026.

Members noted the final reports of the Productivity Commission's inquiries into the Australian Government's five pillars of productivity and their interactions with the external reporting framework. This includes recommendations to mandate digital financial reporting and to take a more nuanced approach to occupational licensing, potentially starting with revising requirements for Registered Company auditors (RCAs) for lower-risk assurance activities.

Members noted that the existing concept of a member of a Professional Accounting Body (PAB) who holds a Certificate of Public Practice provides an alternative to the RCA designation.

Members discussed forward-looking pipeline concerns relating to sustainability assurance. Members noted that existing regulations may limit the recognition of sustainability experience for RCA applicants. Members discussed the connectivity between financial statements and sustainability statements.

Members discussed how the merger of financial reporting bodies and the removal of FRC's audit quality function may affect future work of the Auditor Review Working Group, where issues cross many portfolios. Members agreed that formal activities of the working group are to be placed on hiatus until November 2026.



FUNDING INTERNATIONAL STANDARD SETTING

ACTION

- FRC members to vote on whether to recommend that the Australian Government grant a further \$1 million to the IFRS Foundation in 2026-27.

IFRS FOUNDATION FUNDING RECOMMENDATION

The Treasury has historically made an annual contribution to the IFRS Foundation of \$1 million on behalf of the Australian Government, informed by a recommendation from the Financial Reporting Council (FRC). The grant is provided as part of the *Support for Markets and Business Program* and recognises the role of international financial reporting standards in the Australian financial reporting system.

Australia's current grant agreement with the IFRS Foundation was signed on 15 July 2024, with an initial payment \$1 million. The agreement includes provisions that allow it to be extended for an additional three years, with payments of \$1 million each financial year up to 30 June 2028.¹ This option was exercised by the Treasury delegate for 2025-25, following a recommendation of the FRC at the meeting of 5 March 2025.

In line with previous practice, the FRC will consider whether to recommend that the Australian Government provide a further \$1 million contribution to the IFRS Foundation. This funding will support the IFRS Foundation to continue to develop and promote a single set of high-quality global accounting and sustainability disclosure standards.

The final discretion to exercise the option to extend the agreement rests with the relevant Treasury delegate.

¹ The current agreement follows an earlier agreement dated 11 December 2020 (and expiring 31 July 2024) under which \$5 million of Australian Government grant funding was delivered to the IFRS Foundation, after three deeds of variation were executed to extend the term and value of the grant.

Grant contributions to IFRS have been renewed based on the recommendation of the FRC each year and a decision by the relevant Treasury delegate. The FRC recommended the Australian Government make a further annual contribution of \$1 million to the IFRS Foundation on 3 June 2021, 2 June 2022, 10 March 2023, and 19 March 2024.



CORRESPONDENCE

ACTION

FRC to note.

- On 29 January 2026, the FRC sent a letter to the IFRS Foundation Trustees, endorsing the nomination of the AASB to the Sustainability Standards Advisory Forum (SSAF).
- On 8 December 2025, the FRC received a response to its letter to the Treasurer regarding the FRC's support for mandatory digital financial reporting. The Assistant Treasurer's response indicates that the government will consider the costs and benefits of increased digital reporting in the context of the Productivity Commission's final inquiry report into harnessing data and digital technology.



ITEM 8C
26 MARCH 2026

ACTION ITEMS

ACTION

- FRC to note.

Attached are the action items from the FRC meeting held on 10 December 2025.

ACTION ITEMS

10 DECEMBER 2025 ACTION ITEMS

	Action item	Owner	Status
1	FRC Secretariat to organise out of session between Chairs of AASB, AUASB, and FRC to discuss RSE disclosures	Secretariat	Ongoing
2	FRC Secretariat to include other FRC members in future roundtables and to engage FRC members on appropriate stakeholders (i.e., targeted investor groups and users of financial statements).	Secretariat & Chair	Ongoing
3	FRC Secretariat to invite CA ANZ to give update on integrity and oversight over the accounting and audit profession	Secretariat	Complete

ACTION ITEMS

ONGOING MATTERS

	Action item	Owner	Status
1	FRC members to use stakeholder engagement to identify people with appropriate skills to be AUASB/AASB candidates.	FRC	In progress
2	FRC to continue seeking targeted feedback on strategic issues through its stakeholder engagement to monitor the matters referred to in the ASIC Act (such as professional ethics) on a periodic basis	FRC	In progress
3	Explore whether identified candidates for international roles should be put forward for nomination.	Secretariat	In progress
4	Secretariat to circulate relevant matters about financial reporting and audit to FRC members.	Secretariat	In progress