



Public Minutes – 117TH FRC MEETING

26 March 2026, ASIC Office Level 5, 100 Market St, Sydney NSW 2000

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Attendees and apologies

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

Guests	Organisation
John Kensington (online)	XRB
Wendy Venter	XRB
Luci Tucker (online)	ASIC
Binh La	ASIC
Sue Rowan	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
Mogendhri Mueller (online)	Finance
Kim Demarte	Treasury
Athanasios Kallos	Treasury

Observers	Organisation
Michael Latchford	FRC Secretariat
Zahia Aicken (online)	FRC Secretariat

Apologies	Organisation
Claire LaBouchardiere	ASIC



PUBLIC SESSION

The session commenced at 1:03 pm.

1. Introduction

1B. Attendees and apologies

The Chair welcomed attendees. Claire LaBouchardiere is an apology.

1C. Declarations of interest

Pru Bennett noted she is now member of the ASX Corporate Governance Advisory Council, which is reflected in the paper.

2. Environmental scan

2A. Member reflections

Members made the following reflections on climate-related financial disclosure:

Bigger picture observations

- The first group of disclosers were inbound subsidiaries, with a few with US headquarters. Some reporters observed differences in Australian reporting and believed Australian standards were more prescriptive.
- The boundaries of what constitutes a legal entity is not straightforward.
- Reconciliation needs to occur between voluntary and mandatory reporting.

Materiality

- The more succinct the disclosure, the more value it provides for users.
- Material risks should be contained in the OFR.
- Preparers need to be clear about when they are applying materiality and through which lens.

Length of reports and connection with financial statements

- It is likely reports may be blown out in the initial years.
- Auditors and assurers check for misleading or incomplete information when reviewing a financial statement. When undertaking assurance, they still need to read the rest of the report for misleading or incomplete information.

Greenwashing

- Some preparers have expressed caution about compliance, as the tightening of standards has driven a healthy review of commitments (and supporting evidence) in the public domain.

International perspective

- Pacific nations have made commitments to introduce ISSB and companies are thinking about how they'll respond.
- Energy issues will affect supply chain resilience.



3. Monitoring and influencing international developments

3A. XRB update

Priorities

- The NZ Sustainability Board is developing a climate reporting roadmap. As NZ's standards are temporary, eventual transition to a globally aligned standard is needed.
- However, some stakeholders are opposed to transitioning prior to the post-implementation review of climate reporting in a few years' time.
- Adopting international standards will require change to align domestically.
- The NZ Accounting Standards Board is reviewing standards to assess if splits and tiers are appropriate.

Collaboration

- As part of ongoing collaboration with Australia, Wendy Venter met with Justin Williams to discuss NZ hosting the Asian-Oceanian Standard-Setters Group (AOSSG) conference and other matters.
- International collaboration is being planned with the international public sector accounting chair and international accounting chair.

3B. International and regulatory developments (including update from ASIC)

ASIC update

- High quality audit is a strategic priority, along with auditor and financial reporting misconduct.
- ASIC published the 2025 report 'Accounting for your super' review into the audit of superannuation. Key findings concerned investment evaluations.
- ASIC also published a 2025 report on Auditors' compliance with independence and conflict of interest obligations. Key findings: likely breaches were prescriptive; auditors took a narrow approach to general independence requirements and there were failures to report to ASIC.
- ASIC's annual regulatory oversight of financial reporting and audit last year included outcomes of audit surveillance and other matters regarding financial reporting and audit.
- Audit surveillance program is under way. ASIC is reviewing first climate reports and taking a pragmatic approach to supervision and enforcement, with a focus on providing support through guidance and capacity building. Findings will be published around September/October, including from the sustainability review.

Other updates

- Next IFRS meeting is in May in Frankfurt, online. AOSSG has accepted invitation to attend.



- The Honourable Peter Garling RFD, SC, was announced as new APESB Chair.

4. Update on integrity in the accounting and audit profession

- CA ANZ provided a presentation on their Monitoring and Conduct Program for FY25, which included an overview of their strategic plan, with standards and ethics being a key focus area.

5. Oversight of Australian Standards (Accounting and Auditing)

5A. AASB

- IFRS announced that the AASB was accepted as a member of SSAF.
- Australia has been the co-chair of IFASS since last year and the AASB is hosting the next international meeting in Melbourne.

International engagement

- There has been engagement with Pacific jurisdictions. Fiji made their first attendance at IFAS, which is the last step to be integrated into the international community.
- Solomon Islands also registered for the conference. AASB have received verbal commitments to attend from Papua New Guinea, Tonga and Samoa.
- One of AASB's engagement goals is to address gaps in the Pacific with IFRS use.

Sustainability

- AASB have been going around the country hosting workshops.

Consultation

- The AASB 2027–2031 Agenda Consultation finished this week.

5B. AUASB

- The majority of current work concerns sustainability assurance implementation.
- AUASB are considering how to influence international standards setting from workplan to standards.
- The AUASB has found collaboration other jurisdictional standard setters has improved greatly.

6. Public Sector Advisory Group update

- PSAG Chair noted that at the Commonwealth level, the Government works on capacity building with Pacific neighbours on basic accounting and financial management practices.
- PSAG met on 16 March 2026 and noted the geopolitical environment and impacts on fiscal strategy are at the forefront of the public sector across the Commonwealth and States.
 - There was a high-level discussion on transition to External Reporting Australia (ERA), including HOTARAC funding. The Commonwealth doesn't



participate or contribute to HOTARAC funding decisions, but we have been working with Justin and Treasury on a way forward.

- Australasian Council of Auditors-General published report on their review of public sector audit quality.
- At the Commonwealth level, a review is being undertaken of financial reporting requirements to address scope creep –some financial reports are hundreds of pages long.

7. Auditor Review Working Group update

- The Chair noted the agenda paper, stating that the working group will be placed on hold. The Chair noted that legislation before Parliament would not transfer the FRC's function for audit quality to ERA.

8. Other business

Amy Fox was an apology for this session.

8A. International funding

- Members voted in favour of recommending to the Treasury an extension of the option to extend an annual \$1m funding to the IFRS Foundation for 2026-2027.

8B. Correspondence received and sent

- The Chair noted correspondence sent to IFRS concerning the Sustainability Standards Advisory Forum and the response received from the Assistant Treasurer regarding mandatory digital financial reporting.

8C. Key action items summary

- At the last quarterly meeting, there was discussion regarding Registrable Superannuation Entity (RSE) disclosures – this action item is yet to be actioned.
- Further details regarding stakeholder engagement will be provided to members as necessary.

Meeting close

The session closed at 4:12 pm.