Australian Government
Financial Reporting Council

June 2026 – 06/2026

Financial Reporting Council Communiqué

The Financial Reporting Council (FRC) met on 5 June 2026. The key matters considered and decided are outlined below:

Nominations Committee update	• The FRC is supporting continuity on the AASB and AUASB. The FRC approved amendments to the Nominations Committee Charter, allowing short-term extensions for AASB and AUASB members, while legislation to establish External Reporting Australia is before the Parliament. • The FRC subsequently approved extensions for 12 AASB and 9 AUASB members. The Chair signed appointment instruments on 29 May 2026.
Environmental Scan	• Members noted Parliamentary scrutiny of alleged breaches of confidentiality and the handling of a whistleblower complaint by a large Australian multidisciplinary firm. • 2026–27 Budget measures included increased thresholds for large proprietary companies, consultation on climate disclosure efficiency, and simplification of reporting relief for group entities.
Due process	• The AASB and AUASB Chairs provided an overview of their boards’ due process frameworks. • Members discussed that due process begins with early international engagement, requires transparency and timely disclosure of decision-making materials, and that appropriate consultation enhances standard quality.
AASB	Accounting • The AASB issued two new accounting standards, concluding work on the Tier 3 Not-for-Profit Private Sector Financial Reporting Framework. Sustainability • The AASB continues to support S2 implementation through guidance and partnerships with ASIC and CSIRO. Consultation • The AASB agenda consultation has provided valuable insights on the sector’s priorities in a resource-constrained environment – notwithstanding potential reforms to the board. International engagement • The AASB hosted the International Forum of Standard Setters, noting participation from several Pacific nations.
AUASB	• The AUASB continues to focus on sustainability assurance guidance. The AUASB reviewed December 2025 reports of listed entities to identify areas requiring guidance. • The AUASB continues work to support practitioners in implementing ASSA 5000 under the local climate reporting regime.
XRB	• Economic pressures in New Zealand continue to drive red tape reduction and streamlined public spending. • The XRB will consult on a climate reporting roadmap following earlier consultation on international alignment. • The XRB is reviewing its accounting standards framework, assessing whether its tiered, sector-based model remains fit for purpose.

The next FRC meeting is to be advised