

# New Zealand Auditing and Assurance Standards Board

## MEETING PACK

for

### NZAuASB Board Meeting - PUBLIC

Wednesday, 1 April 2026

9:45 am (NZDT)

Held at:

Online

Online

# INDEX

Cover Page

Index

Agenda

Attached Documents:

4.1 a	4.1 Action List April 2026.docx.....	9
5.1 a	5.1 Summary paper work plan April 2026.docx.....	10
5.2 a	5.2 2026 work plan.pdf.....	14
5.3 a	5.3 2027 work plan.pdf.....	17
5.4 a	5.4 agenda planning.pdf.....	20
5.5 a	5.5 consultation plan.pdf.....	21
6.1 a	6.1 BMSP Strategy and Workplan (1).docx.....	22
6.2 a	6.2 IAASB-IESBA-Joint-Stakeholder-Survey Response.docx.....	24
7.1 a	7.1 EG Au8_GS 007 - Update.docx.....	48
8.1 a	8.1 PIR ISA 540 (Revised) BMSP.docx.....	51
8.2 a	8.2 PIR ISA 540 Survey questions slides.pptx.....	53
9.1 a	9.1 PIRs Restructured Code and NOCLAR BMSP.docx.....	78
9.2 a	9.2 Restructured Code and NOCLAR Survey questions slides.pptx.....	81
10.1 a	10.1 Summary paper JSS 2026.docx.....	94
11.1 a	11.1 BMSP interim reveiw engagements.docx.....	97
11.2 a	11.2 Draft consultation.docx.....	102
12.1 a	12.1 BMSP Sustainability Assurance.docx.....	108
13.1 a	13.1 NZAuASB Technology - Update.docx.....	113

# AGENDA

## NZAUASB BOARD MEETING - PUBLIC

<b>Name:</b>	New Zealand Auditing and Assurance Standards Board
<b>Date:</b>	Wednesday, 1 April 2026
<b>Time:</b>	9:45 am to 5:50 pm (NZDT)
<b>Location:</b>	Online, Online
<b>Committee Members:</b>	Graeme Pinfold (Committee Chair), Darby Healey, Doug Niven, Michael Bradbury, Rebecca Palmer, Richard Kirkland, Todd Beardsworth, Vasana Vanpraseuth
<b>Attendees:</b>	Dr Amelia Sharman, Anna Herlender, Bruce Mcniven, Catherine Thompson, Karen Tipper, Lisa Thomas, Misha Pieters, Sharon Walker, Thinus Peyper, Wendy Venter

### 1. Opening Meeting (PRIVATE)

**1.1 Board only time** 9:45 am (15 min)

### 2. Standing items (PRIVATE)

### 3. Board Management (PRIVATE)

### 4. Board Management (PUBLIC)

**4.1 Action list** 10:00 am (2 min)

#### For Decision

Supporting Documents:

4.1.a	4.1 Action List April 2026.docx	9
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**4.2 Chair report** 10:02 am (3 min)

Graeme Pinfold

#### For Noting

Verbal

**4.3 AUASB Update** 10:05 am (2 min)

Doug Niven

#### For Noting

Verbal

**4.4 IAASB report** 10:07 am (2 min)

#### For Noting

Late

**4.5 PIOB IAASB Public interest issues report** 10:09 am (2 min)

**For Noting**  
SUPPLEMENTARY

**4.6 IESBA highlights** 10:11 am (2 min)

**For Noting**  
Late

**4.7 PIOB IESBA Public interest issues report** 10:13 am (2 min)

**For Noting**  
SUPPLEMENTARY

**4.8 Update on narrow scope amendments to climate reporting standards** 10:15 am (15 min)

Dr Amelia Sharman  
Verbal

**5. NZAuASB work plan (PUBLIC)**

**5.1 Summary paper** 10:30 am (5 min)

Misha Pieters

**For Noting**

Supporting Documents:

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5.1.a 5.1 Summary paper work plan April 2026.docx 10

**5.2 Work plan 2026/27** 10:35 am (5 min)

Misha Pieters

**For Decision**

Supporting Documents:

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5.2.a 5.2 2026 work plan.pdf 14

**5.3 Update 2025/26 work plan** 10:40 am (5 min)

Misha Pieters

**For Noting**

Supporting Documents:

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5.3.a 5.3 2027 work plan.pdf 17

**5.4 Forward agenda plan** 10:45 am (10 min)

Misha Pieters

**For Noting**

Supporting Documents:

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5.4.a 5.4 agenda planning.pdf 20

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**5.5 Consultation plan** 10:55 am (5 min)

Misha Pieters

**For Noting**

Supporting Documents:

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5.5.a 5.5 consultation plan.pdf 21

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**5.6 Morning Tea** 11:00 am (15 min)

**6. IAASB /IESBA strategy survey (PUBLIC)**

**6.1 Summary paper** 11:15 am (30 min)

Karen Tipper

**For Noting**

Supporting Documents:

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6.1.a 6.1 BMSP Strategy and Workplan (1).docx 22

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**6.2 Survey response** 11:45 am (30 min)

Karen Tipper

**For Decision**

Supporting Documents:

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6.2.a 6.2 IAASB-IESBA-Joint-Stakeholder-Survey Response.docx 24

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**7. EG Au8 / GS 007 - Update (PUBLIC)**

**7.1 Summary paper** 12:15 pm (30 min)

Thinus Peyper

**For Noting**

Verbal

Supporting Documents:

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7.1.a 7.1 EG Au8\_GS 007 - Update.docx 48

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**7.2 Approved project plan EG Au8\_GS 007**

**For Noting**

SUPPLEMENTARY

**7.3 LUNCH** 12:45 pm (45 min)

## 8. Post implementation review ISA (NZ) 540 (PUBLIC)

### 8.1 Summary paper

1:30 pm (30 min)

Lisa Thomas

#### For Noting

Supporting Documents:

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8.1.a	8.1 PIR ISA 540 (Revised) BMSP.docx	51
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### 8.2 PIR ISA 540 survey questions slides

2:00 pm (15 min)

Lisa Thomas

#### For Discussion

Supporting Documents:

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8.2.a	8.2 PIR ISA 540 Survey questions slides.pptx	53
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### 8.3 IAASB JSS request for information

#### For Noting

SUPPLEMENTARY

## 9. PIR Restructured Code and Non-compliance with laws and regulations (PUBLIC)

### 9.1 Summary paper

2:15 pm (30 min)

Lisa Thomas

#### For Noting

Supporting Documents:

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9.1.a	9.1 PIRs Restructured Code and NOCLAR BMSP.docx	78
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### 9.2 Restructured Code and NOCLAR survey questions slides

2:45 pm (30 min)

Lisa Thomas

#### For Discussion

Supporting Documents:

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9.2.a	9.2 Restructured Code and NOCLAR Survey questions slides.pptx	81
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## 10. Jurisdictional Standard Setters Meeting (PUBLIC)

### 10.1 Summary paper

3:15 pm (30 min)

Misha Pieters

#### For Discussion

Supporting Documents:

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10.1.a	10.1 Summary paper JSS 2026.docx	94
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## 10.2 XRB response to Part 4B request for information

For Noting

SUPPLEMENTARY

### 10.3 Afternoon tea

3:45 pm (15 min)

## 11. 2410 Interim review engagements (PUBLIC)

### 11.1 Summary paper

4:00 pm (15 min)

Sharon Walker

For Noting

Supporting Documents:

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11.1.a	11.1 BMSP interim review engagements.docx	97
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### 11.2 Draft consultation paper

4:15 pm (15 min)

Sharon Walker

For Decision

Supporting Documents:

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11.2.a	11.2 Draft consultation.docx	102
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## 12. Sustainability assurance (PUBLIC)

### 12.1 Summary paper

4:30 pm (15 min)

Karen Tipper

For Noting

Supporting Documents:

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12.1.a	12.1 BMSP Sustainability Assurance.docx	108
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## 13. Technology (PUBLIC)

### 13.1 Summary paper

4:45 pm (15 min)

Thinus Peyper

For Discussion

Supporting Documents:

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13.1.a	13.1 NZAuASB Technology - Update.docx	113
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### 13.2 IAASB Technology Catalogue

For Noting

SUPPLEMENTARY

## 14. Board Management (PRIVATE)

## 15. Close Meeting

### 15.1 Close the meeting

5:00 pm

**For Noting**

**Next meeting:** NZAuASB Board Meeting - Virtual - 1 Apr 2026, 8:45 am

### NZAuASB Action list

Meeting Arose	Board Action	Target Meeting	Status
Dec 2025	Gather more information and confirm next steps on impact of use of technology	April 2026	IAASB to agree next steps at March 2026 meeting. Refer agenda item.
Oct 2025 Feb 2026	To undertake further testing of staff guidance on going concern. Mike and Darby to undertake a fatal flaw review of guidance before issued	April 2026	To provide verbal update on guidance.
Oct 2025	Revocation and reissue of standards	Feb 2026	All ISAs (NZ) reissued in February 2026.
Feb 2026	Circulate draft minutes of EQR decision, and finalise sustainability standards following drafting advice	Complete	Thank you for all offline comments. Sustainability standards issued early March and basis for conclusions document available on website after final sign off by Chair
Feb 2026	Other assurance standards to be reissued		Other assurance standards to be reissued in April 2026. Verbal update at meeting.
Feb 2026	Development of principles-based framework for process to develop staff guidance	June 2026	Cross functional project underway. Update to June meeting

## NZAuASB Board meeting summary paper

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**Meeting date:** 1 April 2026  
**Subject:** **NZAuASB Work Plan**  
**Date:** 18 March 2026  
**Prepared by:** Misha Pieters

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**Action Required**

**For Information Purposes Only**

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### Agenda item objectives

1. The Board is asked to:
  - (a) NOTE updates on the 2025/26 workplan, forward agenda and consultation plans
  - (b) AGREE 2026/27 work plan

### Matters to consider

#### Assurance portfolio 25/26 update

2. The following projects have recently been completed or have updates to highlight:
  - (a) ISSA (NZ) 5000 and IESSA (NZ) were issued in March 2026
  - (b) Reissue other assurance and review engagement standards to be complete in April 2026
  - (c) Staff guidance on service performance information issued. The guidance was well received at the Audit Assistant conference. The accounting team have also issued guidance to support preparers understanding of the reporting requirements. We will continue to monitor developments to determine if and what further actions may be needed.
  - (d) Illustrative reports for ISA (NZ) for LCE issued (based on international guidance)
  - (e) Delay in finalising the update of EG Au8 on use of service organisations for investment management services. (Refer agenda item on this topic)
  - (f) Delay in issue of guidance on assurance of greenhouse gas emissions
3. We will commence a post implementation review of the restructured code, in line with the IESBA project. This may be a useful time to seek broader New Zealand views on the XRB's Code of Ethics, which is secondary legislation, and whether the Code is fit for purpose.
4. We recently presented at the audit assistant conference, with the ISA (NZ) for less complex entities (LCE) being a topic of interest. An issue was highlighted related to restrictions on use of the LCE standard, if the auditor is reliant on a type 1 or type 2 SOC report as audit evidence. We continue to engage with auditors and regulators to better understand the issue and the extent thereof, and with IAASB staff. We have further awareness raising events planned on this topic at the upcoming Need to Know webinar and the upcoming CA ANZ conference, where there will be a panel discussion on the LCE standard.

## Forward agenda planning

5. The rolling forward agenda reflects the next 12 months of activity. In addition to key exposure drafts on audit evidence and risk response, interim review engagements and revisions to the less complex entities standard, there are a number of post implementation reviews underway or due to commence. The international project timelines are indicative.

## Consultation overview

6. The consultation plan has been updated to reflect indicative international timelines.

## Resourcing priorities for the next quarter

7. The high effort/priority projects for the next quarter include:
- (a) Upload all reissued standards to the Standards Navigator and refine the website
  - (b) Develop guidance to support assurance of scope 3 greenhouse gas disclosures
  - (c) Promote awareness of the new standards issued such as going concern, fraud and sustainability assurance standards and determine priority area to assist adoption
  - (d) Complete requests for information and outreach supporting responses to surveys, consultations and post implementation reviews
  - (e) Continue to promote awareness of ISA (NZ) for LCE
  - (f) Deepen our understanding of current use of type 1 and type 2 service organisation control (SOC) reports, and challenges faced. This will inform the project to update EG Au8 and whether further guidance is needed more broadly.

## Work plan July 2026 to June 2027

8. We have prepared a proposed work plan for 2026/27 and seek input from the NZAuASB that this summary covers key projects we plan to work on, informed by the XRB's strategic priority areas and key international projects. Approval of the draft workplan will then be sought from the XRB board.
9. Under the strategic priority of "Fit for purpose", the 2026/27 activities include:
- (a) Advancing our work to better understand user needs, benefits and costs
  - (b) Understanding and responding to technology impacts
  - (c) Planned post implementation reviews
10. Under the strategic priority of "supporting adoption and implementation" focus areas include
- (a) ISA (NZ) 240, *The Auditor's Responsibilities Relating to Fraud in the Audit of Financial Statements*
  - (b) ISA (NZ) 570, *Going Concern*
  - (c) ISSA (NZ) 5000, *General Requirements for Sustainability Assurance Engagements*
  - (d) International Ethics Standards for Sustainability Assurance (including International Independence Standards) (New Zealand) within PES 1
  - (e) ISA (NZ) for Less Complex Entities
11. The "business as usual projects" related to international developments are summarised below.
12. **Consultations and exposure drafts:**  
From IAASB:

- a. Audit evidence and risk response exposure drafts issued July 2026, responses due December 2026.
- b. ISA for LCE exposure draft issued July 2026, response due in October 2026.
- c. Modernisation of ISA 500s exposure drafts consultation expected from February 2027.
- d. IAASB strategy and work plan consultation issued in January 2027

From IESBA:

- e. IESBA strategy and work plan consultation issued in January 2027
- f. Post implementation review of long association provisions in 2027
- g. Post implementation review of non-assurance services and fees in 2027
- h. Post implementation review of public interest entity to begin
- i. Post implementation review of engagement team – group audit independence to begin
- j. Projects on Business relationships and Audit firm – Audit client relationship to begin
- k. Potential for an exposure draft of a firm culture and governance framework

### 13. **Issue standards:**

To remain internationally **aligned**, and locally relevant issue:

- l. ISRE (NZ) 2410 –IAASB approval of the standard expected March 2027. Issuance targeted for late June (or Q1 of next reporting period)
- m. No standards are expected to be issued by IESBA before June 2027.

### 14. **Support adoption and implementation:**

Planned activities include:

- n. Two need to know updates
- o. Five deep dives
- p. Two workshops
- q. One panel event
- r. Four external presentations to CA ANZ/CPA members, IOD members, etc.
- s. Events to engage on the consultation topics listed above
- t. Guidance on assurance of scope 3 GHG emissions disclosures

### 15. **Make submissions:**

Submit before the due date for all consultations listed above

## **Recommendations**

16. The Board NOTE progress in the 2025/26 period and agree the work plan for 2026/27.

## **Material presented**

- Board meeting summary paper
- Assurance portfolio 2025/26 (update)
- Assurance portfolio work plan for 2026/27 (approval)

- Forward agenda
- Consultation plan

2025/2026 work plan progress update								
Origin	Name	Type	Next SPE deliverable	Status of current year deliverables	Target Delivery Date - End	Owner	SOI Category	Planned action for 2025/26
Domestic	Audit and review of service performance standards	Non-financial	Support - publish*	Completed	19/03/2026	Lisa Thomas	PBE Performance Reporting, Supporting adoption & implementation	Audit evidence staff guidance published in Feb 2026. Presentation at Audit Assistant Conference in March 2026. Accounting guidance also issued in Feb 2026.
Domestic	Monitor and implementation support for GHG assurance	Non-financial	Support - publish*	On track	30/06/2027	Karen Tipper	Supporting adoption & implementation	Delayed. Issue guidance in March and May 2026. For 2026/27 work plan develop guidance as needed to support the adoption of new standards
Domestic	ISA (NZ) for LCE	Audit	Support - engage*	On track	30/06/2026	Bruce Mcniven	Supporting adoption & implementation	Walkthrough videos 1, 2 and 3 and deep dive done. Supplemental guidance done. Illustrative audit reports issued.
Domestic	Technology	Audit	Support - engage*	Completed	13/03/2026	Thinus Peyper	Fit for purpose	Hosted roundtable in November 2025. Monitoring international developments. Next steps for 2026/27 work plan.
Domestic	GHG Snapshot	Non-financial	Support - publish*	Completed	10/06/2026	Anna Herlender	Supporting adoption & implementation	To provide update following June year ends. Next steps fro 2026/27 work plan
Domestic	Impact of audit reforms / inspection findings on XRB standards	Audit		Completed	10/06/2026	Thinus Peyper	Fit for purpose	Monitor audit reform in UK and Aus. Monitor inspection findings. FMA annual report expected to be issued in November. Arrange for regulators to meet with NZAuASB
Domestic	ISO developments	Non-financial		Completed	1/04/2026	Karen Tipper	International Influence	New ISO standard issued Feb 2026. April board discussion provides summary and update. Continue to monitor uptake of ISO in 2026/27 work plan.
Domestic	Update EG AU8 in conjunction with AUASB	Audit	Support - publish*	On track	30/04/2026	Thinus Peyper	Fit for purpose	Delay. Update at April meeting, for approval in June 2026
Domestic	Modified assurance reports	Audit		Completed		Bruce Mcniven	Fit for purpose	Discussed at October board meeting. Next check in next work plan.
Domestic	International alignment sustainability ethics and use of external experts	Audit	Issue Standard*	Completed	12/03/2026	Karen Tipper	Fit for purpose	Standards issued in March 2026
Domestic	Engage on Audits of Māori Entities	Non-financial		On track	30/06/2027	Karen Tipper	Integrated Reporting	Continue to meet with OAG to learn from their active project, and respond if need identified
Domestic	Consider Assurance related to He Taura	Non-financial		On track		Karen Tipper	Integrated Reporting	He Taura - XRB No planned output for this reporting period
Domestic	Update standard setting policies based on developments for climate assurance	Non-financial	Board Meeting*	On track	10/06/2026	Bruce Mcniven	Org Health & Capability	To work across the XRB teams to update our policies in a consistent way but that is appropriate for each team
Domestic	Update EGAu1 A Framework for Assurance Engagements		Board Meeting*	On track	10/06/2026	Bruce Mcniven	Org Health & Capability	
Domestic	Interpretation Standard EGAu4	Audit	Issue Standard*	On track	30/06/2026	Thinus Peyper	Fit for purpose	Consider changes to Explanatory Guide Au4 Glossary of Terms and possibility of converting it into secondary legislation.
Domestic	Public Sector Performance Reporting	Audit		Completed		Thinus Peyper	Performance Reporting	Contributed to XRB submission on assurance related matters

Origin	Name	Type	Next SPE deliverable	Status of current year deliverables	Target Delivery Date - End	Owner	SOI Category	Planned action for 2025/26
IAASB	Narrow scope amendments use of experts	Audit	Issue Standard*	Completed	9/04/2026	Anna Herlender	Fit for purpose	Amendments approved at Feb 2026 meeting. Expect to reissue other assurance standards in April 2026
IAASB	ISSA 5000	Audit	Issue Standard*	Completed	12/03/2026	Karen Tipper	Fit for purpose	Standard issued in March 2026. Next steps will be to support implementation
IAASB	Post implementation review of ISA 540	Audit	Submit	On track	15/06/2026	Lisa Thomas	Fit for purpose	Stakeholders notified 19 Feb 2026. Survey response due 15 June 2026.
IAASB	IAASB Strategy and work plan 2028-2031	Audit	Submit	On track	15/05/2026	Karen Tipper	Fit for purpose	Stakeholders notified 30 January 2026. Response is due 15 May. For 2026/27 work plan, respond to work plan consultation expected to be issued Jan 2027.
IAASB	ISRE 2410 Interim Review Engagements	Audit	Issue consul. or ED*	On track	6/05/2026	Sharon Walker	Fit for purpose	XRB staff support project. IAASB approved ED in March 2026. Issue of ED expected 6 May 2026. Respond to IAASB consultation in Aug 2026.
IAASB	Going Concern revised standard	Audit	Issue Standard*	Completed		Sharon Walker	Supporting adoption & implementation	Standard issued in December. Guidance in development. Awareness raising at Audit assistant conference, and at upcoming Need to Know webinar
IAASB	Fraud standard (ISA (NZ) 240)	Audit	Issue Standard*	Completed		Sharon Walker	Supporting adoption & implementation	Standard issued in December. Guidance in development. Awareness raising at Audit assistant conference, and at upcoming Need to Know webinar
IAASB	Public Interest Entity track 2	Audit	Issue Standard*	Completed		Anna Herlender	Supporting adoption & implementation	Reissued ISAs (NZ) issued in February, other assurance standards to be reissued in April 2026

Origin	Name	Type	Next SPE deliverable	Status of current year deliverables	Target Delivery Date - End	Owner	SOI Category	Planned action for 2025/26
IESBA	Use of external experts	Ethics	Issue Standard*	Completed	12/03/2026	Karen Tipper	Fit for purpose	Standards issued in March 2026
IESBA	IESSA	Ethics	Issue Standard*	Completed	12/03/2026	Karen Tipper	Fit for purpose	Standards issued in March 2026
IESBA	Post implementation review of restructured code	Ethics	Comms release*	On track	22/04/2026	Lisa Thomas	Fit for purpose	IESBA to issue survey in April, Response due in July 2026
IESBA	IESBA Strategy and Work plan 2028-2031	Ethics	Submit	On track	15/05/2026	Karen Tipper	Fit for purpose	Stakeholders notified 30 January 2026. Response is due 15 May following NZAuASB April meeting
IESBA	Post implementation review of non-compliance with laws and regulations (NOCLAR)	Ethics	Comms release*	On track	22/04/2026	Lisa Thomas	Fit for purpose	IESBA to issue survey in April, response due in July 2026
IESBA	Firm culture and governance	Ethics		Deferred to 2026/27		Lisa Thomas	Fit for purpose	IESBA issued viewpoints and expect to discuss next steps at its June 2026 meeting. Moved to 2026/27 work plan
IESBA	Collective investment vehicles	Ethics		Deferred to 2026/27		Karen Tipper	Fit for purpose	IESBA has agreed to develop non-authoritative material. XRB to monitor and determine what NZ overlay may be needed in due course. Moved to 2026/27 work plan
IESBA	Profession agnostic independence standards for sustainability assurance not in scope of Part 5	Ethics		Deferred to 2026/27		Anna Herlender	Fit for purpose	Submitted Request for information in Feb 2026. Moved to 2026/27 work plan as we monitor IESBA project.

2026/2027 draft work plan							
Origin	Name	Type	Next SPE deliverable	Target Delivery Date - End	Owner	SOI Category	Planned action for 2026/27
Domestic	Monitor and implementation support for GHG assurance	Non-financial	Support - publish*	30/06/2027	Karen Tipper	Supporting adoption & implementation	Support adoption of new sustainability assurance standards through events and development of guidance as needed.
Domestic	Support adoption and implementation of ISA (NZ) for LCE	Audit	Support - publish*	30/06/2027	Bruce Mcniven	Supporting adoption & implementation	Monitor adoption and support implementation challenges through events and development of guidance as needed
Domestic	Support adoption and implementation of revised going concern and fraud standards	Audit	Support - publish*	30/06/2027	Sharon Walker	Supporting adoption & implementation	Raise awareness through the financial reporting ecosystem on the revised auditing standards
Domestic	Technology	Audit	Support - engage*	13/03/2026	Thinus Peyper	Fit for purpose	Monitor and contribute to development of international quality management guidance, and promote guidance once issued. Facilitate engagement with stakeholders on the implications of technology for assurance as we consult on key exposure drafts issued by the IAASB
Domestic	Service organisations		Research and engage	TBD	Thinus Peyper	Supporting adoption & implementation	Finalise update of EG Au8 and determine next steps for ongoing matters emerging
Domestic	Impact of audit reforms / inspection findings on XRB standards	Audit	Research and engage	10/06/2026	Thinus Peyper	Fit for purpose	Monitor audit reform in UK and Aus. Monitor inspection findings. FMA annual report expected to be issued in November.
Domestic	Modified assurance reports	Audit			Bruce Mcniven	Fit for purpose	Monitor modified reports and consider implications for XRB standards in accordance with policy
Domestic	Engage on Audits of Māori Entities	Non-financial	Research and engage	30/06/2027	Karen Tipper	Integrated Reporting	Continue to meet with OAG to learn from their active project, and respond if need identified
Domestic	Consider Assurance related to He Tauira	Non-financial			Karen Tipper	Integrated Reporting	He Tauira - XRB No planned output for this reporting period
Domestic	Framework for standard setting activities			TBD	Bruce Mcniven	Organisational health and capability	Cross functional project
Domestic	Framework for developing guidance			TBD	Lisa Thomas	Organisational health and capability	Cross functional project
Domestic	Public Sector Performance Reporting		TBD		Thinus Peyper	PBE Performance	Monitor developments and contribute as required

Origin	Name	Type	Next SPE deliverable	Target Delivery Date - End	Owner	SOI Category	Planned action for 2026/27
IAASB	Audit evidence and risk response	Audit	Issue consul. or ED*	28/07/2026	Thinus Peyper	Fit for purpose	Issue date of EDs expected to be 28 July 2026. Consult with stakeholders, develop response to IAASB's exposure draft
IAASB	Post implementation review of ISA 540	Audit	Submit	15/06/2026	Lisa Thomas	Fit for purpose	Consider outcome of PIR surveys and next steps
IAASB	IAASB Strategy and work plan 2028-2031	Audit	Submit	15/05/2026	Karen Tipper	Fit for purpose	Respond to work plan consultation expected to be issued Jan 2027
IAASB	ISRE 2410 Interim Review Engagements	Audit	Issue consul. or ED*	6/05/2026	Sharon Walker	Fit for purpose	Consult with stakeholders and respond to IAASB consultation in Aug 2026
IAASB	Revisions to ISA for LCE	Audit	Issue consul. or ED*	30/06/2026	Lisa Thomas	Fit for purpose	Support adoption of ISA (NZ) for LCE, engage with stakeholders on proposed revisions and respond to IAASB consultation
IAASB	Modernising ISA 500 Series: Inventory counts, confirmations and sampling	Audit	Issue consul. or ED*	30/04/2027	Thinus Peyper	Fit for purpose	IAASB to approve exposure drafts in Dec 2026. Consult and respond to exposure draft consultation
IAASB	Post-Implementation Review of ISA 315	Audit	Issue consul. or ED*	30/06/2027	Sharon Walker	Fit for purpose	IAASB expected to commence PIR in 2027. XRB to engage with stakeholders and respond to surveys
IAASB	Materiality	Audit	Research and engage		Sharon Walker	Fit for purpose	IAASB expected to commence a standard setting project in 2027. XRB to monitor, engage with stakeholders
IAASB	Broader Assurance Standard	Non-financial	Research and engage		Karen Tipper	Fit for purpose	IAASB expected to scope and commence standard setting in 2027

Origin	Name	Type	Next SPE deliverable	Target Delivery Date - End	Owner	SOI Category	Planned action for 2026/27
IESBA	Profession agnostic independence standards for sustainability assurance not in scope of Part 5	Ethics			Anna Herlender	Fit for purpose	Monitor IESBA developments, consult and respond as required
IESBA	PIR Long Association	Ethics	Research and engage	30/06/2027	Anna Herlender	Fit for purpose	IESBA expected to commence PIR process in Q1 2027. XRB to engage locally and provide feedback to IESBA
IESBA	PIR Non-Assurance Services	Ethics	Research and engage	30/06/2027	Sharon Walker	Fit for purpose	IESBA expected to commence PIR process in Q1 2027. XRB to engage locally and provide feedback to IESBA
IESBA	Business Relationships	Ethics	Research and engage		Anna Herlender	Fit for purpose	IESBA expected to commence a project in 2027. Monitor and research locally to contribute as required
IESBA	Post implementation review of restructured code	Ethics	Comms release*	22/04/2026	Lisa Thomas	Fit for purpose	Respond to IESBA PIR in July 2026 and consider outcome of survey
IESBA	IESBA Strategy and Work plan 2028-2031	Ethics	Submit	15/05/2026	Karen Tipper	Fit for purpose	For 2026/27 work plan, respond to work plan consultation expected to be issued Jan 2027.
IESBA	Post implementation review of non-compliance with laws and regulations (NOCLAR)	Ethics	Comms release*	22/04/2026	Lisa Thomas	Fit for purpose	Respond to IESBA survey in July 2026 and monitor developments
IESBA	Firm culture and governance	Ethics	TBD		Lisa Thomas	Fit for purpose	IESBA expected to determine next steps for the development of a framework in June 2026. Monitor and contribute to consultations as required
IESBA	Collective investment vehicles	Ethics			Karen Tipper	Fit for purpose	IESBA has agreed to develop non-authoritative material. XRB to monitor and determine whether NZ overlay may be needed in due course.
IESBA	PIE Definition IESBA/IAASB	Ethics			Anna Herlender	Fit for purpose	Joint IESBA/IAASB project to consider how PIE definition is working to commence in 2027. Contribute as required
IESBA	Audit Firm Client Relationship	Ethics	Research and engage		Lisa Thomas	Fit for purpose	IESBA expected to commence a project in 2027. Monitor and research locally to contribute as required
IESBA	Private equity investment in firms	Ethics	Research and engage		Sharon Walker	Fit for purpose	XRB to continue to monitor developments

Forward board agenda planning

Projects	2026											2027				
	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
ISRE 2410 Interim Review Engagements	Discuss		Prepare		Approve											Discuss
Update EG AU8 in conjunction with AUASB	Update		Approve													
Firm culture and governance					Update		Update				Update					
Modified assurance reports							Review									
ISO developments	Update															
Post implementation review of non-compliance with laws and regulations (NOCLAR)	Update		Approve								Update					
ISA (NZ) for LCE implementation					Update											
IAASB Strategy and work plan 2028-2031	Approve										Discuss		Approve			
Post implementation review of ISA 540	Discuss		Approve								Update					
IESBA Strategy and Work plan 2028-2031	Approve										Discuss		Approve			
Audit evidence and risk response			Discuss					Prepare		Approve						
Modernising ISA 500 Series: Inventory counts, confirmations and sampling										Discuss						Approve
Revisions to ISA for LCE					Discuss		Approve									
Technology	Update															
GHG Snapshot and supporting adoption of sustainability standards					Update											
Post implementation review of restructured code	Discuss		Approve								Update					
Engage on Audits of Māori Entities										Discuss						
Post-Implementation Review of ISA 315													Discuss			
Interpretation standard			Approve													
Invited guests																

**Forward consultation plan**

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<b>ISRE 2410 Interim Review Engagements</b>												
Outreach activities		█	█	█	█							
<b>Post implementation review of non-compliance with laws and regulations (NOCLAR)</b>												
Outreach to respond to survey	█	█										
<b>Audit evidence and risk response</b>												
Perform outreach activities					█	█	█	█				
<b>Revisions to ISA for LCE</b>												
Outreach activities				█	█	█						
<b>ISA 540 Post implementation review</b>												
Outreach activities	█	█										
<b>Post implementation review of restructured code</b>												
Outreach to respond to survey	█	█										
<b>Modernising 500 series</b>												
Outreach activities											█	█
<b>IAASB strategy and work plan</b>												
Outreach activities											█	█
<b>IESBA strategy and work plan</b>												
Outreach activities											█	█

## NZAuASB Board meeting summary paper

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**Meeting date:** 1 April 2026  
**Subject:** **IAASB and IESBA Strategy and work plan survey 2028-2031**  
**Date:** 19 March 2026  
**Prepared by:** Karen Tipper  
**Reviewed by:** Misha Pieters

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**Action Required**

**For Information Purposes Only**

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### Agenda item objectives

1. The objective of this agenda item is to APPROVE the NZAuASB's submission to the IAASB and IESBA Strategy and Work Plan 2028–2031 survey.

### Background

2. The IAASB and IESBA released their joint survey consultation on 22 January 2026. Staff shared details of the consultation on our website on 23 January 2026 and issued a LinkedIn post on 29 January 2026 to promote it. This was within three weeks of release. Feedback was requested by 13 March 2026. Submissions to the IAASB/IESBA close 15 May 2026.
3. At its February meeting, the NZAuASB an initial draft response as a starting point to generate ideas and brainstorm potential responses to the 2028–2031 survey and emphasised key matters for the developing response to the IESBA and IAASB. (Refer minutes from February discussion).

### Matters to consider

4. In preparing the draft response for approval, in addition to the discussion with NZAuASB in February 2026, staff obtained feedback from:
  - (a) the regulator,
  - (b) XRAP at its March meeting, and
  - (c) the Audit technical reference group (thoughts were shared on the draft survey questions in the December meeting).
5. No written submissions were received from stakeholders, and no requests were received via the website for additional meetings.
6. We plan to hold further discussions with representatives of professional firms in the Audit Technical Reference Group and will provide a verbal update at the NZAuASB meeting.
7. The AUASB and APESB will hold a joint virtual roundtable to discuss the strategy and work plan on 16 April 2026. XRB staff will observe the roundtable and consider any relevant views raised.

8. The following key messages are included in the draft response, informed by our outreach:
- the importance of continued and enhanced close collaboration between the IESBA and the IAASB, and with other standard-setting boards (e.g., the IASB and ISSB)
  - a stronger focus on engaging users
  - technology as the greatest disruptor to future standard setting, given the speed of change
  - the need to accelerate the standard setting process to keep pace with technology and support greater agility by the SSBs
  - the need to be future-focused and agile, while also learning from experience, to remain relevant, responsive, and impactful
  - the need to be increasingly geopolitically aware when global objectives or approaches risk fragmentation
  - the importance of balancing quality, cost, and user benefit so audit remains economically viable
  - the importance of scalability and proportionality so the standards remain relevant in the New Zealand context.
  - that the importance of being able to clearly articulate what problem standard setting activity sets out to solve, and an analysis of cost and benefit of changes proposed is increasingly needed
  - the importance of considering the indigenous voice in standard setting
9. Based on feedback received, the top five key environmental trends were ranked as follows:
- B3 Changes in the Geopolitical and Regulatory Landscape - Call for Greater Agility in Standard Setting
  - A1 Digital transformation – increasing use of emerging technologies
  - A3 Digital Transformation – Financial Crimes Enabled by Technology
  - D1 Evolving Structure and Business Models of Accounting Firms - Challenges to Attracting and Retaining Talent
  - B1 Changes in the Geopolitical and Regulatory Landscape – Regulatory Changes

## Recommendations

10. We recommend the Board approve a NZAuASB response (subject to any updates from further engagement) and delegate final sign-off to the Chair if any further changes are needed.

## Material presented

- Board meeting summary paper
- Survey response



### **About this Joint Stakeholder Survey**

This joint survey is the first step in the IAASB's and the IESBA's (together referred to as the Standard Setting Boards (SSBs)) process to develop their respective Strategies and Work Plans (SWPs) for 2028–2031. It seeks stakeholders' views on specific matters that will help inform the SSBs as they develop their respective Consultation Papers (targeted for the end of 2026) for their SWPs.

This survey was developed with a broad range of stakeholders in mind as the input from a diverse group of stakeholders will help the SSBs better understand the role of professional accountants in the environment and how the SSBs could best serve the public interest through their mission of developing high-quality international standards.

This survey is set out in the following sections – stakeholders are asked to respond to the questions included in sections I, III, IV and V, by **May 15, 2026**:

**Section I** — About the Respondent

**Section II** — Background

**Section III** — SSBs' Strategic Positioning for 2028–2031

**Section IV** — Key Trends Impacting the SSBs

**Section V** — Areas for Joint Action in SSBs' Work Plans

You may respond to all questions or matters for stakeholder input or only selected questions or matters.

All responses will be considered a matter of public record and submissions will ultimately be posted on the SSBs' websites.

Joint IESBA and IAASB Stakeholder Survey  
Strategy and Workplans for 2028-2031

## SECTION I: ABOUT THE RESPONDENT

**1. From which perspective are you providing this feedback?**

- (a) The view of an organization

Organization: The New Zealand Auditing and Assurance Standards Board (NZAuASB) under delegated authority from the External Reporting Board (XRB)

Name(s) of contact(s) for this submission: Karen Tipper

E-mail address(es) of contact(s): karen.tipper@xrb.govt.nz

**2. Please select from the following options to which stakeholder group you or your organization belongs:**

- Jurisdictional Standard Setter (JSS) or Other Standard Setter
  - JSS for both Auditing and Assurance, and Ethics

**3. Please select from the following options the geographical region that best matches you or your organization**

- Asia Pacific

## SECTION II: BACKGROUND

### About IAASB and IESBA

The [International Foundation for Ethics and Audit](#) (IFEA) is a nonprofit organization that supports high-quality, international standard-setting in ethics, audit, and assurance in the public interest. IFEA fulfills its mission through its two standard-setting boards, the IAASB and the IESBA. The IAASB and the IESBA issue their standards independently, following an approved due process including consideration of the [Public Interest Framework](#). The [Public Interest Oversight Board](#) oversees IAASB and IESBA activities and the public interest responsiveness of their standards.

The **IAASB** serves the public interest by setting high-quality international standards for auditing, assurance, quality management, reviews and related services, and by facilitating the convergence of international and national standards. In doing so, the IAASB enhances the quality and uniformity of practice throughout the world and strengthens public confidence in the global auditing and assurance profession.

The **IESBA** serves the public interest by setting high-quality, international ethics (including independence) standards as a cornerstone to ethical behavior in business and organizations, and to public trust in financial and non-financial information that is fundamental to the proper functioning and sustainability of organizations, financial markets and economies worldwide.

### SSBs' SWPs 2024–2027

The SSBs maintain a practice of regular and open dialogue with all stakeholders to ensure the SSBs' standard-setting work remains responsive to stakeholder demands and market needs and continues to serve the public interest. Accordingly, each SSB is responsible for developing a comprehensive SWP for standards and related agenda priorities. The current SWPs for both the IAASB and IESBA conclude at the end of 2027.

For the 2024–2027 strategy period, each of the SSBs has identified four strategic objectives.<sup>1</sup> Strategic objectives reflect what each SSB is seeking to achieve during the strategy period, in support of their overarching goal or vision. The strategic objectives guide the selection and prioritization of standard-setting and related activities.

<b>IAASB Strategic Objectives for Its Current Strategy Period, 2024–2027</b>
Establish globally accepted standard(s) for assurance on sustainability reporting
Support the consistent performance of quality audit and review engagements by enhancing our standards in areas where there is the greatest public interest need
Strengthen coordination with IESBA and other leading standard setters and regulators to leverage better collective actions in the public interest
Create more agile, innovative ways of working in line with the Monitoring Group's reform vision

<sup>1</sup> In its 2024–2027 SWP, the IESBA used the term strategic themes instead of strategic objectives.

Joint IESBA and IAASB Stakeholder Survey  
*Strategy and Workplans for 2028-2031*

<b>IESBA Strategic Objectives for Its Current Strategy Period, 2024–2027</b>
Enhancing trust in sustainability reporting and assurance
Strengthening the IESBA Code of Ethics or responding in other ways in areas beyond sustainability reporting and assurance
Further enhancing the diversity of stakeholder perspectives and the global operability and acceptance of the IESBA's standards
Widening the influence of the IESBA's standards through a continued focus on adoption and implementation

DRAFT

### SECTION III: SSBs' STRATEGIC POSITIONING FOR 2028–2031

Through a rigorous and transparent due process, extensive stakeholder engagement, and evidence-based analysis, the SSBs work in connected and complementary ways. This collaboration ensures that their standards are responsive to the needs of their stakeholders, and helps to strengthen public trust and confidence in financial and non-financial reporting.

The SSBs' standards promote globally consistent practices that enable auditors and professional accountants in firms and other organizations to deliver their services or perform their activities with a clear focus on the public interest. These global standards help consistency of regulatory approaches. They enhance confidence in reported information for investors' and other users' capital allocation and other decision-making across jurisdictions. These standards therefore offer a critical contribution to economic growth, capital markets efficiency and integrity, and financial stability through enhanced trust and accountability.

#### Questions or Matters for Stakeholder Input

4. As the SSBs look toward the 2028–2031 period, they are reflecting on how to position their strategies and work plans to best serve the public interest within a rapidly changing global environment. This involves careful consideration of how the SSBs remain relevant, responsive, and impactful in their standard-setting and other related work. **In that context, what do you believe the SSBs should aspire to achieve during their next strategy period, 2028–2031?**

Your answer may touch on different dimensions, for example:

- The relevance, responsiveness and impact of the SSBs' standard-setting and related activities.
- Broader adoption and effective implementation of the SSBs' standards.
- The SSBs' interaction and engagement with key stakeholder groups.
- The SSBs' ability to serve the public interest.

The examples above are for illustrative purposes only and should **not** limit, direct, or otherwise influence your response.

Your answer should address the IAASB and IESBA collectively; however, you may wish to also highlight matters specifically for the IAASB or IESBA (if applicable, you could use separate headings to address such matters).

The NZAuASB supports the co-ordinated IAASB's and IESBA's initiative to seek joint feedback on their proposed strategic priorities and welcomes the recent transparency regarding consultation timelines. We encourage the SSBs to strengthen coordination further—at the strategic level, the process level, and for individual projects—to support consistent adoption and implementation of standards across jurisdictions.

The NZAuASB considers there would be benefits to users and other stakeholders if consultation timelines were aligned when an issue affects both the Code and the auditing and assurance standards.

Joint IESBA and IAASB Stakeholder Survey  
*Strategy and Workplans for 2028-2031*

Aligning consultations would enable users to consider the interaction of requirements holistically and would facilitate concurrent amendments to the Code and the ISAs, reducing the risk of divergence.

The NZAuASB considers that the coordination between the IAASB/IESBA and other standard setting boards could be enhanced. This could include working with the IASB and ISSB as their standards are developed to provide input into the verifiability of new reporting requirements and to minimise any potential assurance implementation issues.

An ongoing focus of the NZAuASB's is engagement with users. We acknowledge that regulators and practitioners play a key role - but ultimately assurance is for the user and often they are a group that is underrepresented in submissions. Given users are often multinational, the IAASB and IESBA are in a unique position to engage with these stakeholders directly.

The NZAuASB also encourages the SSBs to continue to engage with a diverse range of practitioners and other experts as reliance on other experts including technology experts, or indeed sustainability or other assurance practitioners may continue to increase in the next period.

The NZAuASB is focused on being able to clearly articulate what problem a standard setting intervention is working to solve and undertaking a robust impact analysis to understand the costs and the benefits of new or revised standards. There is a need to elevate discussions on what value does assurance add, and how do the standards enable those conversations. We encourage the IAASB and IESBA to reflect more explicitly this thinking into the development of new or revised standards.

We are living in a rapidly changing environment. We commend the way in which the sustainability standards were developed. We believe that standard-setting needs to be relevant, responsive, and impactful. This requires more forward-looking, agile approaches (and a higher tolerance for taking managed risks rather than defaulting to caution). we acknowledge that the SSBs have limited resources and we encourage them to prioritise refining processes with a view to being agile and responsive to fast-paced changes in users' needs. In this regard

## SECTION IV: KEY TRENDS IMPACTING THE SSBs

### Background and Context

The IAASB's and IESBA's SWPs are shaped by their environment. Shifts in the SSBs' environment influence what topics need to be prioritized, the actions that will best serve the public interest and the timing of such actions. Key trends and changes in the environment create opportunities and challenges and will significantly shape their future SWPs.

Given the rapidly changing environment, the SSBs recognize the importance and potential difficulty in identifying which trends will be the most impactful at the start of the next strategy period in 2028, and how the relevance of these trends may evolve over time. Therefore, the SSBs will remain agile and adapt as necessary throughout the development process of their SWPs as well as during the next strategy period.

The most relevant and impactful trends will be incorporated in the SSBs' SWPs as strategic drivers.<sup>2</sup> These strategic drivers will assist the SSBs in identifying the opportunities and challenges that affect their ability to deliver on their public interest mandates, while guiding the development of their respective work plans. Although specific trends might have a greater or lesser impact, or imply a certain focus or perspective, for each SSB's work, the strategic drivers may also lead to the identification of topics or items where both SSBs have a role to play, given the connectivity between the SSBs (see **section V**).

In addition to trends impacting the SSBs, there are internal factors relating to the SSBs' governance, structure and operations that will influence how they prioritize standard-setting and related activities and determine future actions. These internal factors are **not** part of this survey. However, they will also inform the SSBs' deliberations and will be incorporated as strategic drivers in developing the IAASB's and IESBA's Consultation Papers on their future SWPs.

### Key Trends Impacting SSBs

For the purposes of this survey, the SSBs have included a summary of the trends that may shape their environment and the work they do in the future. To develop this summary, the SSBs conducted a comprehensive review of a wide range of sources of information, including news and publications from jurisdictional auditing and ethics standard-setting bodies, leading financial news outlets, and industry research reports. This multi-source approach enabled the identification of recurring themes and data-supported forecasts across key areas of work for professional accountants. In addition, the SSBs have benefited from input from their Stakeholder Advisory Council (SAC)<sup>3</sup> and from the JSS<sup>4</sup>.

Each of the trends that follow was identified for its potential impact on the financial and non-financial reporting ecosystem, including the SSBs' standard-setting landscape in the coming years. The summary of trends is intended to provide a forward-looking, yet grounded, basis to support information gathering, and open a dialogue with stakeholders.

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<sup>2</sup> Strategic drivers are the factors that drive the opportunities and challenges impacting the SSBs' ability to deliver on their mandates in the public interest.

<sup>3</sup> More information about the SAC's discussions can be found in the [May 2025 SAC Meeting](#) (Agenda Item 2 and Meeting Highlights) and the [October 2025 SAC Meeting](#) (Agenda Item 1 and Meeting Highlights).

<sup>4</sup> = IAASB and IESBA Jurisdictional Standard Setters (JSS) Liaison Groups (see "[About IAASB](#)" and "[About IESBA](#)" webpages for more information)

## SECTION IV: KEY TRENDS IMPACTING THE SSBs

### A – Digital Transformation

Rapid digital transformation, driven by the pace and nature of technological innovation and evolution, is reshaping the global economic and business landscape, creating both opportunities and challenges. Three areas stand out as examples of digital transformation that will influence the future of standard setting.

- A1. **Increasing Use of Emerging Technologies:** Businesses and industries are undergoing transformations driven by the adoption and increasing use of emerging technologies such as Artificial Intelligence (AI)-enabled tools and agents, internet of things, and blockchain. These technologies exhibit unique characteristics that present tremendous opportunities for increased quality, effectiveness, and efficiency, but also raise new and different challenges and risks to be managed.
- A2. **Digital Assets and Institutionalization of Digital Assets:** Given the growing use of emerging technologies such as blockchain, digital assets, including cryptocurrencies, have become more popular and their institutionalization is accelerating.
- A3. **Financial Crimes Enabled by Technology:** The growing use of emerging technology has also given rise to significant threats to cybersecurity and a significant rise in unlawful activities that exploit digital systems, networks, and AI-enabled tools and agents to commit, conceal, or facilitate financial misconduct.

<b>Potential Impact on Audit, Assurance, Quality Management, Ethics and Independence Matters</b>	
<ul style="list-style-type: none"> <li>• Need to modernize or enhance the standards, or provide guidance to support stakeholders in navigating the application of the standards amid these developments.</li> <li>• Extended stakeholder engagement, including with emerging technologies experts.</li> </ul>	
<b>Potential Impact on Audit, Assurance and Quality Management Matters for IAASB's Consideration</b>	<b>Potential Impact on Ethics and Independence Matters for IESBA's Consideration</b>
<ul style="list-style-type: none"> <li>• Possible need for the development of guidance (e.g., guidance about the use of emerging technological tools, auditing digital assets, blockchain audit trails and reinforcing the exercise of professional skepticism and professional judgment when using technological tools).</li> <li>• Increased emphasis on, or emergence of different types of assurance engagements (e.g., assurance over emerging technological tools, system controls, AI governance, and cybersecurity).</li> </ul>	<ul style="list-style-type: none"> <li>• Ethics and independence considerations relating to the use of AI by professional accountants in public practice and in business and other professionals who use IESBA standards (for example, accountability and threats to professional competence and due care, objectivity and confidentiality).</li> <li>• Over-reliance on the use of technology and its impact on objectivity, professional judgment and professional skepticism.</li> <li>• Growing threats relating to financial crimes</li> </ul>

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

	and cybersecurity. <ul style="list-style-type: none"> <li>• Changing business models and governance, and potential impacts on ethics and independence.</li> </ul>
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**5A. Indicate the extent to which you believe this trend will increase or decrease in importance for the SSBs for their next strategy period starting in 2028.**

**A.1 Digital Transformation – Increasing Use of Emerging Technologies**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
X						

*[If a respondent selects “6 to 1”]*

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The NZAuASB considers technology to be the biggest disruptor for audit and assurance standard-setting. There has been exponential growth in the use of emerging technologies and we expect this growth to accelerate.

Emerging technology has the potential to change the way audit looks in the future and to challenge the current status quo. It may lead to the potential for transactions to be audited in real time rather than annually, potentially disrupting the traditional annual audit model. This may fundamentally change the audit product, and we encourage the SSBs to consider whether audit as we know it continues to be fit for purpose.

Increasing use of emerging technology may expand the expectation gap, with stakeholders expecting absolute assurance, given technology is capable of covering complete data sets, and expecting more efficiencies and declining fees. Assurance practitioners’ use of technology may also be restricted by the way in which clients are using technology and the quality of the data provided.

While use of emerging technologies increases, with the need for a human in the loop, ethics and competence remain core.

Agentic AI may change the make-up of the audit and assurance workforce and training model. The more routine, repeatable tasks that are often completed by graduates may be completed by AI in the future. This may mean that a different go forward skillset is required for audit and assurance, potentially a mix of technology, softer skills or other skills. If graduate roles are to be replaced by AI in the future, this challenges the typical pyramid structure of the firms and the pipeline from new hire to partner or signing roles. Technical skills and supervisory skills may need to be brought in as new hires rather than developed over time as an employee progresses from a junior to a senior role.

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

The way in which the SSBs carry out their own work could also be transformed by use of emerging technologies. As a standard setter, we are exploring ways in which emerging technology can enhance productivity and accessibility of standards and enable us to enhance our stakeholder engagement processes.

We encourage the SSBs to consider the impact of entities' use of AI in financial reporting on the auditing, assurance and ethical standards. Such consideration could include the need for a bespoke assurance standard when providing AI assurance services. Like other countries, we expect to see an increase in entities' use of AI due to government initiatives to accelerate private sector AI adoption and innovation while still managing risks responsibly.

Technology impacts can vary depending on the size of the firms. Smaller firms have fewer resources and would place more reliance on off-the-shelf or free-to-access tools where larger global network firms can create and tailor bespoke solutions that include built-in controls and have transparent methodologies. These may require different approaches to setting standards in this area.

**[If a respondent selects "0"]**

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**A.2 Digital Transformation – Digital Assets and Institutionalization of Digital Assets**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
	X					

**[If a respondent selects "6 to 1"]**

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The XRB is aware of the call for more and different types of intangibles to be recorded on the balance sheet including the recognition and valuation of digital assets and tokens. These emerging areas may require more active monitoring and drive new reporting impacts and assurance needs. The New Zealand regulator has recently published the responses to its discussion paper on [tokenisation](#) in the financial markets and is considering next steps.

We encourage the SSBs to consider:

- guidance for assurance of these assets given the volatility, tradability and emerging nature of the markets
- implications for the use of experts in these markets

## Joint IESBA and IAASB Stakeholder Survey

## Strategy and Workplans for 2028-2031

- whether there are any additional custody risks around control of virtual assets, cybersecurity and increased risk of fraud and scams involving fake tokenised assets.
- Additional threats to objectivity in a world where it is not clear who controls the assets, or where the chain of custody may be unclear
- Implications for audit evidence

New Zealand is entering a critical phase in the development of its digital-asset economy, as global adoption accelerates and regulatory approaches continue to evolve offshore. New Zealand's digital assets strategy was recently issued and provides a roadmap for New Zealand's current stance, and articulating what a high-performing 2026–2030 landscape should look like, along with the actions required to achieve it.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

### A.3 Digital Transformation – Financial Crimes Enabled by Technology

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
X						

*[If a respondent selects "6 to 1"]*

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Increasing in importance, particularly as information is increasingly stored digitally. Cybersecurity continues to be a focus for a small economy such as New Zealand. We have seen increased incidents of hacking and phishing in the past few years. These attacks continue to increase in sophistication and are often sourced overseas and may lead to reduced access or no access to audit evidence or decreasing reliability of audit evidence.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

## B – Changes in the Geopolitical and Regulatory Landscape

Joint IESBA and IAASB Stakeholder Survey  
Strategy and Workplans for 2028-2031

Changes to the geopolitical and regulatory landscape (in)directly influence how the SSBs' international standards evolve. Four areas stand out as particularly illustrative of how these changes shape the environment in which the SSBs operate:

- B1. **Regulatory Changes:** Financial markets, including the accounting and auditing profession, are navigating a complex regulatory environment, with ongoing changes driven by the need for market stability and to prevent economic disruptions, as well as a trend towards reducing regulatory burdens to enhance economic competitiveness and foster innovation and economic growth.
- B2. **Risk of Fragmentation:** In many jurisdictions there is a move away from international alignment toward a more national / regional focus. As a result, different jurisdictions, industries, or organizations may use varied and sometimes conflicting frameworks, rules, and metrics for reporting information. Such fragmentation contributes to uncertainties, adds costs and administrative burdens for providers of professional services and their clients, and erodes trust and confidence in financial and non-financial reporting.
- B3. **Call for Greater Agility in Standard Setting:** Professional accountants and other stakeholders have been emphasizing the need for a more adaptive standard-setting process that allows for addressing issues in a timelier manner. This includes calls for consideration of issuing non-authoritative materials instead of launching standard-setting projects, or undertaking more narrow-scope standard setting to address targeted matters, depending on the circumstances.
- B4. **Greater Diversity of Voices Sought:** Reflecting the broad use of SSBs' standards, there are calls for greater inclusion of voices from emerging economies. The ability to respond to particular needs may impact on the adoption and implementation of global standards. It may also impact which stakeholders to connect with and the nature of standards and guidance the SSBs develop.

**Potential Impact on Audit, Assurance, Quality Management, Ethics and Independence Matters**

- Need to identify potential areas of simplification (including scalability and proportionality).
- Need for increased agility and responsiveness.
- Balance the need for the development of standards (through either full-scope and narrow-scope projects) with the development of non-authoritative materials.
- Increased coordination and collaboration between the SSBs and with other standards setters.
- Strengthened stakeholder engagement, including with investors and those charged with governance.

**5B. Indicate the extent to which you believe this trend will increase or decrease in importance for the SSBs for their next strategy period starting in 2028.**

**B.1 Changes in the Geopolitical and Regulatory Landscape – Regulatory Changes**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a
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Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

						trend to be considered
	X					

**[If a respondent selects “6 to 1”]**

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The volume, speed and intensity of the changing geopolitical and regulatory landscape is accelerating and is likely to continue to do so. Current systems, built in times of growth and stability, are under strain and may fragment. The Edelman Trust Barometer reveals decreasing trust and the recent report emphasizes the need for leaders to understand economic realities, champion shared interests and create opportunities for optimism. During the period 2028-2031 we expect to see more volatility, increasing need for guardrails and the need for difficult trade-off decisions. The introduction of additional reporting areas subject to regulation, that vary around the world, will increase complexity.

Investment decisions rely on quality information and rationale decision making. The role for assurance and ethics to support trust and confidence may be increasingly important.

In terms of how the SSBs can respond to this trend, we encourage a strong impact focus with emphasis on clearly articulating what problems the SSBs aim to solve, with emphasis on understanding the cost and the associated value or benefit to the users of any new or revised standards. We support the approach of maintaining principles-based standards in light of this context and a focus on continuously enhancing standard setting processes and culture. The importance of effective horizon scanning, supported by processes and a culture that enable an agile response will be key to success.

**[If a respondent selects “0”]**

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**B.2 – Changes in the Geopolitical and Regulatory Landscape - Risk of Fragmentation**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
	X					

**[If a respondent selects “6 to 1”]**

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

This risk of fragmentation continues to grow, and we expect this risk will increase through the SWP period 2028-2031.

We encourage the SSBs to continue to enhance co-ordination between the SSBs and other SSBs, to show leadership, despite increasing risks of fragmentation. Recent enhancements to coordination efforts, including this joint survey and enhanced transparency over consultation timelines are commended. We encourage the SSBs to continue to build on coordination in developing the SWP for 2028-2031. For example, by aligning consultation timelines when an issue affects both the Code and the auditing and assurance standards. Aligning consultations would enable users to consider the interaction of requirements holistically and would facilitate concurrent amendments to the Code and the ISAs, reducing the risk of divergence or fragmentation.

The XRB's standard setting strategy continues to be internationally aligned and locally relevant. Fragmentation may increase complexity and costs. We have heard strong support from our stakeholders to continue to remain internationally aligned. There is a risk of further erosion of trust if there is a move away from global standards.

However, this is increasingly a balancing act, given the nature of the companies in our market. New Zealand is made up of primarily small and medium-sized enterprises meaning that some aspects of international standards are perceived as being more complex than needed for our market. The current approach of adding to the existing standards is often increasing the length and complexity of these requirements, making them harder to navigate. For example, the new Part 5 of the Code doubles the size of the Code. We encourage the SSBs to consider the balance of the new requirements against the accessibility and understandability of the standards.

**[If a respondent selects "0"]**

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**B.3 Changes in the Geopolitical and Regulatory Landscape - Call for Greater Agility in Standard Setting**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
X						

**[If a respondent selects "6 to 1"]**

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The SSBs need to be, and be seen to be, responsive to a rapidly evolving context and to pivot and change as appropriate. With market pressures continually changing, agility from the SSBs is

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

expected while ensuring a connection to stakeholders and users to ensure that standards remain relevant.

We encourage the SSBs to be bold, not overly cautious, and look to address challenges on a timely basis. This may include reducing the timelines for post-implementation reviews. Our recent experience reflects that post-implementation reviews commence as soon as standards are adopted, and SSBs need to be responsive to immediate feedback, where appropriate. This may include various tools in the toolkit, from developing guidance through to narrow-scope amendments. Post implementation reviews that commence 5 years later may not serve the public interest in a world that evolves so rapidly.

Real time auditing may soon be possible and there could be merit in exploring a different approach to standard setting with a greater focus on adoption and implementation and active engagement with stakeholders as standards are being implemented to identify and address emerging issues.

We hear that the principles-based requirements in the standards remain appropriate, but there is a need for additional guidance on their application as circumstances evolve in practice. Adoption and implementation guidance has become a greater focus in recent times to react quickly to stakeholders' needs. Given increasing demands and use of non-authoritative guidance, balancing rigorous processes that foster coordination with jurisdictional standard setters and other subject matter experts, but do not slow down the ability to be responsive will be key.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**B.4** Changes in the Geopolitical and Regulatory Landscape - Greater Diversity of Voices Sought

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
		X				

*[If a respondent selects "6 to 1"]*

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

As assurance has broadened to non-financial information, in recent years, we have seen an increase in the uptake of our standards by broader practitioners using our standards. This creates a demand for a different type of implementation resource or guidance as new standards are being adopted. With different audiences using the resource, we are finding it essential to look at the language we

are using so that our key messages can be understood in the same way by multiple audiences. This includes ensuring that the standards include the indigenous voice and cultural understandings of concepts such as risk, different measures of what value means, intergenerational impact, cultural, environmental and social impacts.

Different cultures may have different ideas about what builds trust and confidence, for example trust may be built first on relationships and personal interactions rather than through the use of an independent external third party. This may have an impact on ethical and independence considerations.

Some stakeholders have expressed a view that, as the audit, assurance, ethical and quality management standards have expanded in length, complexity and documentation requirements, they can be challenging to apply in a scalable way for smaller and less complex entities. Standards such as quality management standards are perceived as being harder to scale for smaller practitioners. This is particularly relevant in the New Zealand market as this is made up of a number of small to medium entities.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

### **C – Evolving Expectations Concerning Sustainability Information**

Global challenges regarding sustainability are reshaping expectations for transparency, accountability, and corporate responsibility in addressing the diverse risks and opportunities associated with sustainability matters. These expectations underscore the need for globally consistent approaches that support public trust in sustainability reporting and assurance.

- C1. Continuing Demand for Sustainability Reporting and Assurance: Reporting on sustainability information continues to grow as a critical component of corporate transparency. Stakeholders, including users of financial and non-financial information and regulators, are demanding more comprehensive and reliable sustainability disclosures. Also, sustainability information is more and more interconnected with financial information.
- C2. Regulatory and Geopolitical Changes: The sustainability regulatory landscape has evolved beyond climate reporting, with amendments to existing regulations and the potential emergence of new jurisdictional and international requirements. On the other hand, some jurisdictions are in the process of recalibrating their previously announced requirements around sustainability reporting and assurance.

**Potential Impact on Audit, Assurance, Quality Management, Ethics and Independence Matters**

## Joint IESBA and IAASB Stakeholder Survey

## Strategy and Workplans for 2028-2031

<ul style="list-style-type: none"> <li>Monitoring the adoption and implementation of the SSBs' Sustainability Standards and providing timely responses to implementation questions or challenges, including the need to develop further guidance or standards.</li> <li>Establishing potentially new mechanisms to develop materials in an agile fashion and to draw on specialized expertise.</li> <li>Extended outreach to ensure alignment, interoperability and global consistency across jurisdictions.</li> </ul>	
<b>Potential Impact on Audit, Assurance and Quality Management Matters for IAASB Considerations</b>	<b>Potential Impact on Ethics and Independence Matters for IESBA Considerations</b>
<ul style="list-style-type: none"> <li>Address the increased connectivity between sustainability assurance and financial audits to contribute to a coherent approach and consistent assurance quality.</li> </ul>	<ul style="list-style-type: none"> <li>Consideration of need for ethics standards for all preparers of sustainability information.</li> </ul>

**5C. Indicate the extent to which you believe this trend will increase or decrease in importance for the SSBs for their next strategy period starting in 2028.**

**C.1 Evolving Expectations Concerning Sustainability Information – Continuing Demand for Sustainability Reporting and Assurance**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
		X				

*[If a respondent selects "6 to 1"]*

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

In October 2025, the New Zealand Government announced its intention to change the mandatory climate-related disclosures (CRD) regime. The changes narrow the regime, reducing the number of entities captured by more than half, with managed investment schemes being removed from the regime and the reporting threshold for listed issuers increasing from NZ 60 million market capitalisation or quoted debt to NZ 1 billion. The changes also include amending the director and company liability settings. The legislation enacting these changes is intended to be completed by June 2026. Assurance is only required over the greenhouse gas emissions disclosures.

We encourage the SSBs to consider the connectivity between financial audits and sustainability assurance. We heard that one set of standards for both, in future, would be a goal to aim for. This

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

may extend beyond 2031 but in time sustainability information and assurance may become more important than financial information and audit.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**C.2 Evolving Expectations Concerning Sustainability Information – Regulatory and Geopolitical Changes**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
	X					

*[If a respondent selects "6 to 1"]*

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Future changes are dependent on government decisions. There are no current plans to require any assurance over wider sustainability reporting and assurance is restricted to the assurance of GHG disclosures in climate statements in New Zealand. However, voluntary reporting and assurance may continue to fluctuate with regulatory and geopolitical changes. The changing landscape makes it challenging for firms to attract and retain appropriate skills, due to increased uncertainty over how the landscape will evolve.

The voluntary market for nature-based reporting is increasing. Assurance over voluntary reporting may increase. This assurance will require broad capabilities.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**D – Evolving Structure and Business Models of Accounting Firms**

The accounting profession is undergoing profound shifts in how its work and firms are structured, financed, and operated, with direct implications for the future of audit, assurance, and ethics standard setting.

- D1. Alternative Ownership Structures: Changing ownership structures raise quality management, and ethics and auditor independence considerations, including on firms' ethical culture. In particular,

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

private equity organizations are increasingly investing in accounting firms, driving growth and technological innovation.

- D2. **Increased Involvement of Non-Professional Accountants in the Accounting and Auditing Profession:** Traditionally, accounting firms were staffed almost exclusively with accountants and auditors. Now, like other private enterprises, a growing share of their workforce consists of specialists from other disciplines, such as technology, data science, law, consulting and sustainability.
- D3. **Challenges to Attracting and Retaining Talent:** The accounting and auditing industry is facing an increasing challenge in attracting and retaining talent, driven by perceptions of the industry as less dynamic and the allure of alternative career paths. Also, given the rapid changes in technology, firms will need to attract and retain talent, and build capacity, in areas where there is strong competition for talent.
- D4. **Non-Assurance Service Line:** The growth of non-assurance services has become a major source of revenue for accounting firms compared to fees for their audit and assurance services. If there is a corporate scandal or failure related to the provision of these services, it impacts on the trust in the accountancy profession and its public interest role.

Potential Impact on Audit, Assurance and Quality Management Matters for IAASB Considerations	Potential Impact on Ethics and Independence Matters for IESBA Considerations
<ul style="list-style-type: none"> <li>Need for guidance or potential enhancement of standards that address firm level or engagement level quality management. For example, the impact on the governance and leadership, client acceptance and continuance, relevant ethical requirements, and information and communication</li> </ul>	<ul style="list-style-type: none"> <li>Consideration of issues related to ethics and independence raised by private equity investments in firms and their impact on firm culture, and whether, and how, guidance or standards could help address challenges to a firm's ethical culture arising from new ownership models.</li> <li>Consideration of challenges regarding familiarity and compliance with the IESBA Code of Ethics in a multidisciplinary context.</li> </ul>

**5D. Indicate the extent to which you believe this trend will increase or decrease in importance for the SSBs for their next strategy period starting in 2028.**

**D.1 Evolving Structure and Business Models of Accounting Firms - Alternative Ownership Structures**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
	X					

*[If a respondent selects "6 to 1"]*

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The NZAuASB is aware that alternative ownership structures are being considered by some of the multinational firms, and impact New Zealand firms. It is in the public interest that threats to independence are managed as these structures evolve so that trust and confidence in the audit product is retained. New structures with a greater focus on return on investment may have cultural and ethical implications.

The SSBs are asked to consider whether the evolution of firms' structures or regional hubs that combine multiple country firms into one regional entity may have an impact on quality management if the accountability and responsibility for quality management systems and processes is held at a regional level rather than country specific.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**D.2** Evolving Structure and Business Models of Accounting Firms - Increased Involvement of Non-Professional Accountants in the Accounting and Auditing Profession

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
		X				

*[If a respondent selects "6 to 1"]*

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

The increased involvement of non-professional accountants, use of experts and involvement of service organisations may become more prevalent as assurance is sought over non-financial information and as expertise is sought in other areas such as technology.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

**D.3 Evolving Structure and Business Models of Accounting Firms - Challenges to Attracting and Retaining Talent**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
	X					

*[If a respondent selects "6 to 1"]*

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Attracting and retaining talent has been a focus of the industry in recent years and may continue to be a challenge. However, the trend may shift with the rapid uptake of technology. AI tools are starting to be used for tasks that have been typically performed by junior staff, with potential to reduce staff numbers in the future. This may impact the typical pyramid structure of the firms, requiring more senior experienced personnel but without the pipeline from junior to senior roles.

We believe a different skill set may be needed for audit and assurance in future with personnel needing to be experienced in technology as well as softer communication and other skills. This could also lead to different ethical and cultural challenges than have been seen previously.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**D.4 Evolving Structure and Business Models of Accounting Firms - Non-Assurance Service Line**

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance	0 I do not agree that this is a trend to be considered
		X				

*[If a respondent selects "6 to 1"]*

Do you wish to highlight any matters relating to this trend or identified impacts, or any additional impacts, for the IAASB or IESBA or both the SSBs?

Yes, this is seen as a continued risk for ethics and independence. Ethical considerations become more important when other related services are provided to an assurance client. These

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

considerations are often not well understood by non-auditors performing such work and non-auditors may not understand the relevance of these considerations.

Differing fee structures in other service lines might give rise to ethical considerations.

*[If a respondent selects "0"]*

Please explain why you do not believe this should be considered a relevant trend for the SSBs:

**Other Trends and Ranking**

**6. Are there trends or related areas or matters that you believe the SSBs should consider that are not covered? If so, please provide details.**

- Yes

*[If "yes" is selected, text boxes appear.]*

Please number your additional trend (O.1, O.2, O.3, ...)

The way information is being consumed is shifting towards short-form or bite-sized content and clips, rather than reading and digesting long or complex documents. Often longer documents are summarized into key points by AI tools rather than the document being read in its entirety. There is a view that this focus on short-term content could affect attention span and cognitive engagement. This will be a challenge for SSBs in the future to keep standards accessible and understandable by the next generation.

Please describe the additional trend

On a scale of 1 to 6, indicate the extent to which you believe this trend will increase or decrease in importance for the SSBs for their next strategy period starting in 2028.

6 Strongly increasing in importance	5 Increasing in importance	4 Slightly increasing in importance	3 Slightly decreasing in importance	2 Decreasing in importance	1 Strongly decreasing in importance
	X				

Do you wish to explain your rating or highlight any matters relating to this trend for the IAASB, IESBA, or both the SSBs?

Joint IESBA and IAASB Stakeholder Survey  
 Strategy and Workplans for 2028-2031

*[Further boxes will appear to add more than one trend, if necessary]*

- No

**7. Based on your evaluation of the identified trends, please rank what you believe are the TOP FIVE most important trends for the SSBs to consider for their next strategy period starting in 2028.**

Please enter the trend code for each of your top five trends (e.g. A.1, B.3), **in order of importance from 1 to 5**, where 1 is the most important. You may include:

- Any of the pre-identified trends (A.1 to D.4), and/or
- Any additional trends you identified above (e.g., O.1).

1. B3 Changes in the Geopolitical and Regulatory Landscape - Call for Greater Agility in Standard Setting
2. A1 Digital transformation – increasing use of emerging technologies
3. A3 Digital Transformation – Financial Crimes Enabled by Technology
4. D1 Evolving Structure and Business Models of Accounting Firms - Challenges to Attracting and Retaining Talent
5. B1 Changes in the Geopolitical and Regulatory Landscape – Regulatory Changes.

## SECTION V: AREAS FOR JOINT ACTIONS IN SSBs' WORK PLANS

### Background and Context

Although the IAASB and IESBA are independent Boards, each with its own remit, their standard-setting actions have a collective impact on the financial and non-financial reporting ecosystem. Given this collective impact, the two SSBs work closely together to ensure their standards are interoperable and complementary. They endeavor to maintain and enhance their coordination on topics of mutual interest, including improving on the early identification of work plan topics where both SSBs have a role to play and can act jointly or in parallel.

Both the IAASB and IESBA anticipate that certain projects or initiatives on their current 2024–2027 work plans will be carried over to their 2028–2031 work plans.<sup>5</sup> The SSBs will elaborate on these topics or initiatives, as well as possible new projects or initiatives for their 2028–2031 SWP period, in their respective Consultation Papers targeted for the end of 2026.

This survey focuses **only** on the call from various stakeholders for the early identification of possible joint or parallel work plan topics, or other initiatives or activities. Based on the trends identified in **Section IV** and stakeholders' expectations about the collective impact of the IAASB's and IESBA's work, the SSBs are seeking feedback about areas of common interest that may lead to potential projects or initiatives in which both SSBs have a role to play and that may be undertaken jointly or in parallel.

### Questions or Matters for Stakeholder Input

8. **Please share your views about areas of common interest and possible joint or parallel work plan topics (e.g., standard-setting or non-authoritative materials), or other initiatives or activities.**

Possible joint areas could include:

- A focus on understanding users' needs in terms and what a user is expecting
- Coordinating timing of projects and consultations to allow views on both audit and assurance matters and ethical and independence considerations to be heard at the same time
- Coordinating timing for consultation on conforming amendments at the same time as the project
- Responding to the impact of emerging technology
- More combined or coordinated stakeholder outreach events

<sup>5</sup> The IAASB's Work Plan for 2024–2027 is included in the IAASB's [Strategy and Work Plan for 2024-2027](#) and IESBA's Work Plan for 2024–2027 is included in the IESBA's [Strategy and Work Plan for 2024-2027](#). See **Appendix 1** for a summary of projects or workstreams that are on the IAASB's and IESBA's work plans for 2026 and 2027, some of which are expected to be carried over to the next work plan period.

## NZAuASB Board meeting summary paper

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<b>Meeting date:</b>	1 April 2026
<b>Subject:</b>	<b>EG AU 8 / GS 007 joint project update</b>
<b>Date:</b>	19 March 2026
<b>Prepared by:</b>	Thinus Peyper
<b>Reviewed by:</b>	Doug Niven and Misha Pieters

**Action Required**

**For Information Purposes Only**

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### Agenda item objectives

- The objectives of this agenda item are for the Board to:
  - RECEIVE an update on the EG AU 8 / GS 007<sup>1</sup> joint project; and
  - NOTE that finalising the joint project has to be delayed.

### Background

- The AUASB and the Board approved a joint project plan to update EG AU 8 / GS 007 (the joint guide) at their respective board meetings in May 2025.
- The objective of the project was to improve key areas in the guidance that user and service auditors find difficult to apply in practice. The scope of the project is confined to matters that affect financial reporting in the investment management services sector.
- A project advisory group (PAG) (represented by auditors from New Zealand and Australia) was formed to identify the guidance areas and discuss them in detail with AUASB and XRB staff in updating the guidance.
- In December 2025, the Board received a progress update and that the project was on track to be completed before the respective April 2026 board meetings.
- We are no longer able to meet this timeframe and wanted the respective boards to note the reasons why:
  - The PAG's consideration of information technology (IT) control objectives (Appendix 3 of the joint guide) is ongoing.
  - Additional feedback from internal reviews and offline comments from some PAG members, indicated that all the control objectives in Appendix 3 require further discussion with the PAG.
  - The PAG needs to consider some of ASIC's surveillance report<sup>2</sup> feedback and start developing guidance as it relates to the services within the scope of the joint guide.

### Matters to consider

#### *Stakeholder feedback since December 2025*

- The PAG has met three times since the Board's December meeting update. All the guidance areas listed in the joint project plan have been worked through and updates have been incorporated.

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<sup>1</sup> Explanatory Guide AU8 / Guidance Statement 007, *Audit Implications of the Use of Service Organisations for Investment Management Services*

<sup>2</sup> [ASIC Report 816 | September 2025](#)

8. Regulators in New Zealand and Australia had an opportunity to comment on the guide. Their feedback has been incorporated (where appropriate), and we provided responses to them on how their feedback has been addressed.
9. The joint project plan describes that we may seek input from other stakeholder groups (e.g., the Australian Custodial Services Association). Based on the nature of the amendments made to the joint guide, we do not consider such input necessary.

*Further refinement of control objectives – Appendix 3 of the joint guide*

10. At the December PAG meeting the members requested that the control objectives in Appendix 3 be refined. PAG members would obtain feedback from their IT specialists on the IT control objectives section for the next PAG meeting.
11. In February 2026, the PAG discussed the refinements made to Appendix 3 to the draft EG AU 8 / GS 007. It was considered necessary to invite the IT specialists to the March PAG meeting where a detailed discussion was held on clarifying the IT control objectives, including the work that falls within the scope of financial reporting.
12. The joint guide was also reviewed internally and some PAG members provided detailed offline comments. The key feedback related to the control objectives in Appendix 3, including the IT control objectives.
13. AUASB and XRB staff will review all the feedback received for further consideration by the PAG in April 2026.

*Additional guidance to respond to ASIC's surveillance report*

14. The ASIC report highlights areas where the quality of financial reporting and audits of registrable superannuation entities (RSEs) can be improved.
15. We have identified the need for user auditor guidance on obtaining sufficient appropriate audit evidence relating to the fair value of unlisted investments in the user entity's financial statements and the appropriateness of the related disclosures. This particularly relates to investments in external unlisted managed investment schemes (both domestic and foreign).
16. The PAG will need to consider the scope of the guidance in April 2026 and the appropriate location of such guidance. The guidance needed could be affected by matters such as the availability of a type 2 report, the timing of audited financial statements, the reliability of information from external fund managers, and the substantive procedures that could practically be performed.
17. Even though the ASIC surveillance report is specific to the circumstances and legislative requirements in Australia, it is important to note that the difficulties in auditing the fair value of unlisted investments due to general lack of observable market data or information relevant to the valuation of these investments, are also relevant to New Zealand and could apply to engagements other than superannuation.
18. There are also calls from auditors and others in Australia for guidance on aspects of determining audit materiality for RSEs. Some of these matters may also be relevant for unlisted managed investment schemes. EG AU 8 / GS 007 would not appear to be an appropriate location for any such guidance.

## **Recommendation**

19. We recommend that the Board NOTE the reasons for the project delay and provide any views they may have on developing the additional audit guidance on the valuation of unlisted investments.

## Next steps

20. The next PAG meeting is being planned for mid-April 2026, where refinements to the control objectives will be finalised and the development of the additional guidance will commence.
21. The aim is to bring the revised joint guide to the Board for approval in the second / third quarter of 2026. The approval process will be coordinated with the AUASB.

## Material presented

- Board meeting summary paper
- Supplementary agenda item – Approved joint project plan

## NZAuASB Board meeting summary paper

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**Meeting date:** 1 April 2026

**Subject:** **Post-implementation review of ISA (NZ) 540 Auditing accounting estimates and related disclosures**

**Date:** 18 March 2026

**Prepared by:** Lisa Thomas

**Reviewed by:** Misha Pieters

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**Action Required**

**For Information Purposes Only**

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### Agenda item objectives

1. The objectives of this agenda item are to:
  - (a) update the Board on the IAASB post-implementation review of ISA 540 *Auditing accounting estimates and related disclosures* (ISA 540) and plans for our New Zealand engagement
  - (b) obtain the Board's initial views on the survey questions through a facilitated brainstorm, using staff's preliminary views as a starting point for discussion.

### Background

2. ISA (NZ) 540 was revised in 2018, in line with international changes. The revision introduced more robust requirements and guidance to enhance the auditor's risk identification and assessment procedures and the importance of applying professional scepticism when auditing accounting estimates.
3. It adopted objectives-based requirements for evaluating methods, data and assumptions, and strengthened stand-back and disclosure-related audit evidence requirements. The revisions introduced a new requirement for communication with those charged with governance.
4. The IAASB has issued a survey as part of their post implementation review of ISA 540 (Revised) to determine whether the revised standard has achieved its intended purpose and what actions are needed, if any. These may include further information-gathering activities, standard-setting activities, or developing non-authoritative materials.
5. Feedback is sought from a wide range of stakeholders on whether there have been any improvements or benefits from applying the revised standard, and whether there are any issues or challenges experienced or observed. The IAASB consultation closes on 15 June 2026.
6. As part of the XRB's strategic intent to ensure the assurance standards are fit for purpose, information obtained from New Zealand stakeholders on the IAASB survey will inform our assessment of whether ISA (NZ) 540 is achieving its intended purpose and is locally relevant.

7. We have made the survey available to stakeholders on the XRB website (see [consultation page](#)). Comments close on 13 May 2026 to enable us to respond to the IAASB consultation in time.

## Matters to consider

8. Staff have prepared slides of the survey questions with initial staff responses to prompt a Board brainstorm/discussion and gather members' views. To prepare for the discussion staff recommend reading through the slides and consider whether you agree and/or have additional views.
9. The slides are grouped by survey area and green shading indicates where staff disagree of a perceived benefit or consider there to be moderate or significant issues or challenges. Staff views were informed by outreach undertaken last year to respond to a request for information by IESBA. A copy of our response is included in the supplementary papers.
10. A full copy of the IAASB survey can be found [here](#).

## Next Steps

11. The XRB consultation has been promoted via LinkedIn and will be covered in the upcoming Assurance need to know on 31 March 2026.
12. In addition, targeted outreach is planned during April with assurance practitioners from both large and mid-size firms, professional bodies, regulators and academics.
13. A final draft response to the IAASB survey, incorporating the feedback obtained, will be brought to the NZAuASB June meeting for approval.

## Recommendation

14. We recommend that the Board DISCUSS the draft responses to the IAASB post implementation survey and the proposed outreach plan.

## Material presented

- Board meeting summary paper
- PIR ISA 540 survey questions slides
- Supplementary papers – XRB response to IAASB JSS request for information ISA 540 (Revised)

# Post-implementation review ISA (NZ) 540 *Auditing account estimates and related disclosures*

IAASB survey responses discussion

## Draft staff key messages to include in the developing response

Anecdotal feedback about ISA (NZ) 540 (Revised) included in XRB “request for information”:

- Improved professional scepticism
- Challenges arise when methods become blurred i.e. testing management’s estimate v developing auditor estimate or range
- Issues with use of auditor’s expert
- Challenges in performing risk assessment at assertion level when spectrum of risk is at a more granular level
- How precise does an auditor’s point estimate or range need to be?
- Difficulty in practice performing retrospective reviews

## Perceived Benefits

This section seeks to understand stakeholders' perspectives on the perceived benefits or improvements resulting from the implementation of ISA 540 (Revised). The purpose is to gather insights on how the revised standard has, for example, contributed to enhanced audit quality by promoting consistency in the approach to auditing accounting estimates, or contributed to enhanced financial reporting quality by fostering greater interaction among the auditor, management and those charged with governance.

**The survey requires the perceived benefits identified by IAASB to be ranked as either:**

- **Strongly agree**
- **Agree**
- **Disagree**
- **Strongly disagree**

## IAASB perceived benefits identified:

- a) Enhanced exercise of professional skepticism when auditing accounting estimates.
- b) Greater consideration of the skills and competencies of the engagement team, including the need to involve specialists or experts.
- c) Greater attention to understanding management's process for making estimates, including the selection of methods, assumptions and data (and the consistency of selection between periods).
- d) Better or more focused assessments of the risks of material misstatements for accounting estimates.
- e) More focus on understanding and testing controls related to accounting estimates.
- f) Increased auditor attention to disclosures related to accounting estimates, including disclosures about estimation uncertainty.
- g) Enhanced interactions and communications between the auditor and management and those charged with governance related to the audit of accounting estimates.
- h) Enhanced quality of financial reporting related to accounting estimates.

## Perceived benefits: staff ranking and reasoning\*

Enhanced exercise of professional skepticism when auditing accounting estimates.

**Agree**

*Anecdotal evidence suggests professional scepticism is more evident now*

Greater consideration of the skills and competencies of the engagement team, including the need to involve specialists or experts

**Disagree**

*Understanding when to involve an expert, what skills are required by the expert, and communications with an expert are still challenging areas.*

Greater attention to understanding management's process for making estimates, including the selection of methods, assumptions and data (and the consistency of selection between periods).

**Agree**

*Achieved through the enhanced risk procedures and the introduction of the objective based requirements*

Better or more focused assessments of the risks of material misstatements for accounting estimates.

**Agree**

*Focused the auditor on where the risk lies and whether there is enough evidence based on risks*

\* Note the survey doesn't require an explanation for the ranking, these are included here to give the Board context to the ranking

## Perceived benefits: staff ranking and reasoning\*

More focus on understanding and testing controls related to accounting estimates.

**Agree**

*Yes for understanding controls, however moving from a 4<sup>th</sup> option to in combination with the auditor's 3 options has not increased focus in testing*

Increased auditor attention to disclosures related to accounting estimates, including disclosures about estimation uncertainty.

**Agree**

*Agree as the revisions are focused on risk and additional procedures for disclosures of estimation uncertainty are for all relevant disclosures not just significant risks.*

Enhanced interactions and communications between the auditor and management and those charged with governance related to the audit of accounting estimates.

**Agree**

New requirement linking into ISA (NZ) 260 and 265

Enhanced quality of financial reporting related to accounting estimates.

**Agree**

*\*There is potential that revisions have contributed to better disclosure around estimates however this is not the role of the auditing standard and there are multiple contributing factors to the quality of reporting of accounting estimates.*

**Any others ?**

*Has improved awareness of what is an estimate.*

\* Note the survey doesn't require an explanation for the ranking, these are included here to give context to the ranking

# About the survey: potential issues or challenges

The survey groups questions on potential issues or challenges into the following areas:

- Scalability and proportionality
- Professional Scepticism
- Risk Assessment Procedures
- Responses to the Assessed Risks of Material Misstatement and Overall Evaluation
- Other Matters – Communications, Specialised Skill or Knowledge and Documentation

The potential Issues or challenges identified by IAASB are to be ranked as:

- Significant issues or challenges
  - Moderate issues or challenges
  - Minor issues or challenges
  - No issues or challenges
  - No response
- 
- A description of issues or challenges is required
  - For issues on retrospective reviews, testing managements estimate and developing auditors own estimate, if ranked significant or moderate, there are a further subset of questions on related potential issues (see slide 15, 20 and 21)

## Scalability and Proportionality

The IAASB acknowledged the importance of a scalable standard for all types of accounting estimates, from those that are relatively simple to those that are complex, and included several elements to address this, including:

- Introducing and emphasizing the concept of a spectrum of inherent risk (paragraph 4). Under the spectrum of inherent risk concept, the assessment of inherent risk depends on the degree to which the inherent risk factors affect the likelihood or magnitude of misstatement, and varies on a scale.
- Specific paragraphs in the application material that demonstrate how ISA 540 (Revised) is scalable in the risk assessment (paragraphs A20-A22) and the responses to the assessed risks of material misstatement (paragraph A84).
- Emphasizing in a requirement that the auditor's further audit procedures need to be responsive to the reasons for the assessment of the risks of material misstatement at the assertion level and that the auditor's further audit procedures shall take into account that the higher the assessed risk of material misstatement, the more persuasive the audit evidence needs to be (paragraph 18).

## Scalability and proportionality

### *Survey Question*

ISA 540 (Revised) was designed to be capable of being applied to all accounting estimates, and for the nature, timing and extent of the risk assessment and further audit procedures to be varied in relation to the estimation uncertainty and the assessment of the risks of material misstatement.

Indicate the extent to which you have experienced or observed or are aware of any issues or challenges related to scalability and proportionality.

### *Staff ranking and description*

#### **Moderate issues**

#### **Issues**

- There is challenge in applying the risk assessment approach at the assertion level for estimates, when the spectrum of risk is at a more granular level (e.g. may be higher in cashflows but lower in the discount rate), but the method, assumptions and data may impact the same assertion.
- The examples provided in the standard are too easy. Practitioners may benefit from more real-life examples, based on more complex estimates to demonstrate the proportionality of the requirements.

## Professional Scepticism

ISA 540 (Revised) includes several key elements that are designed to enhance the auditor's application of professional skepticism, including:

- Use of stronger language, such as “challenge,” “question,” and “reconsider” to reinforce the importance of exercising professional skepticism (see, for example, paragraphs A60, A95, and A135 of ISA 540 (Revised)).
- A requirement to design and perform further audit procedures in a manner that is not biased towards obtaining audit evidence that may be corroborative or towards excluding audit evidence that may be contradictory (paragraph 18).
- A requirement to “stand back” and evaluate the audit evidence obtained regarding the accounting estimates, including both corroborative and contradictory audit evidence (paragraphs 33–35).

## IAASB potential issues or challenges identified for “professional scepticism”

- a) Appropriately challenging management’s judgments used in making accounting estimates, particularly when they involve complex or subjective inputs.
- b) Identifying and appropriately responding to potential indicators of management bias in the development of accounting estimates.
- c) Appropriately considering all relevant audit evidence obtained, whether corroborative or contradictory.

# Professional Scepticism: staff ranking and description of issue

## Minor issues

Appropriately challenging management's judgments used in making accounting estimates, particularly when they involve complex or subjective inputs.

*Professional scepticism is more evident and improved documentation*

## Minor issues

Identifying and appropriately responding to potential indicators of management bias in the development of accounting estimates

## Moderate issues

Appropriately considering all relevant audit evidence obtained, whether corroborative or contradictory

### Issues

When an entity is in a valuation cycle, there may be insufficient challenge of estimated values outside of an entity's valuation cycle. Circumstances may exist that the auditor is or should be reasonable aware of what could materially affect the value at year-end and thereby triggering the need for the entity to do a revaluation. The auditor either may not challenge management's assessment of whether to revalue or that management has not done an assessment

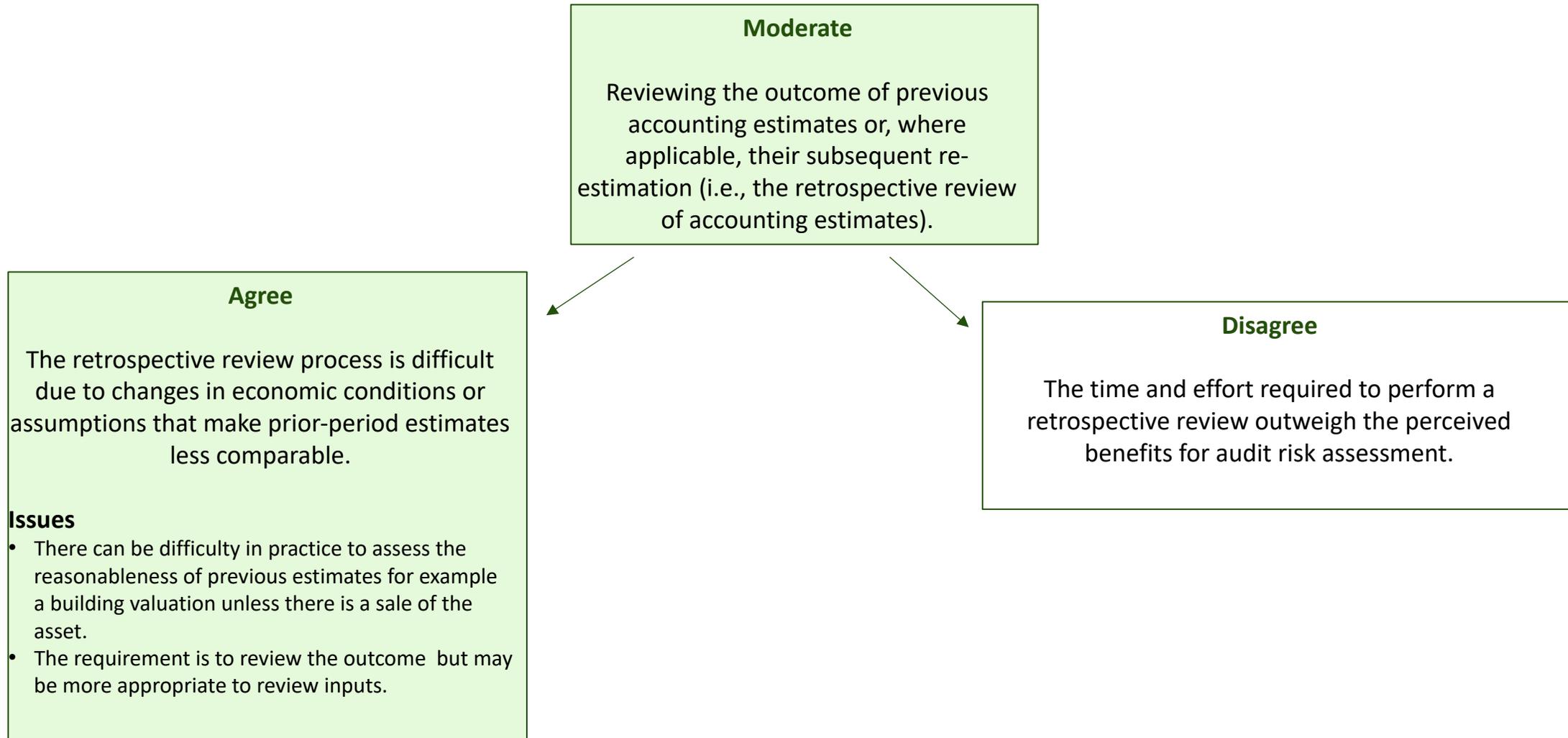
## Risk Assessment Procedures

ISA 540 (Revised) includes an enhanced risk assessment specifically tailored to accounting estimates that builds on the risk assessment required by ISA 315 (Revised 2019). The inherent risk factors of estimation uncertainty, complexity and subjectivity play a central role in the approach to the identification and assessment of the risks of material misstatement related to accounting estimates, and the responses to those assessed risks. ISA 540 (Revised) also notes that there may be other inherent risk factors, including susceptibility to misstatement due to management bias or fraud.

## IAASB potential issues or challenges identified for “risk assessment procedures”

- a) The consideration of inherent risk factors and the interrelationship between them in identifying and assessing risks of material misstatement related to accounting estimates.
- b) How the understanding of the entity and its environment, and the entity’s internal control for accounting estimates, relates to the understanding required by ISA 315 (Revised 2019) (i.e., whether it is clear that the requirements in paragraph 13 of ISA 540 (Revised) relate specifically to accounting estimates and build on the broader requirements in ISA 315 (Revised 2019)).
- c) Reviewing the outcome of previous accounting estimates or, where applicable, their subsequent re-estimation (i.e., the retrospective review of accounting estimates).\*
  - i. The retrospective review process is difficult due to changes in economic conditions or assumptions that make prior-period estimates less comparable.
  - ii. The time and effort required to perform a retrospective review outweigh the perceived benefits for audit risk assessment.
- d) Understanding management’s process for making accounting estimates, including how management identifies and selects relevant methods, assumptions and data, and how management understands and addresses estimation uncertainty.
- e) The separate assessments of inherent and control risk relating to an accounting estimate.
- f) Whether any of the assessed risks of material misstatement are significant risks.

# Risk Assessment Procedures: staff ranking and description of issue



## Risk Assessment Procedures: staff ranking and description of issue

### No issues

The consideration of inherent risk factors and the interrelationship between them in identifying and assessing risks of material misstatement related to accounting estimates.

### No issues

How the understanding of the entity and its environment, and the entity's internal control for accounting estimates, relates to the understanding required by ISA 315 (Revised 2019) (i.e., whether it is clear that the requirements in paragraph 13 of ISA 540 (Revised) relate specifically to accounting estimates and build on the broader requirements in ISA 315 (Revised 2019)). \*

### No issues

Understanding management's process for making accounting estimates, including how management identifies and selects relevant methods, assumptions and data, and how management understands and addresses estimation uncertainty.

### No issues

The separate assessments of inherent and control risk relating to an accounting estimate.

### No issues

Whether any of the assessed risks of material misstatement are significant risks.

# Responses to the Assessed Risks of Material Misstatement and Overall Evaluation

The auditor's responses to assessed risks of material misstatement for accounting estimates include one or more of the following testing strategies:

- Obtaining audit evidence from events occurring up to the date of the auditor's report;
- Testing how management made the accounting estimate; or
- Developing an auditor's point estimate or range.

For these testing strategies, the IAASB introduced objective-based requirements, focused on methods (including models), assumptions and data. The objective-based requirements allow scalability in the nature, timing and extent of the procedures performed, recognizing that the higher the assessed risks of material misstatement, the more persuasive the audit evidence needs to be.

ISA 540 (Revised) requires the auditor to determine whether the accounting estimates and related disclosures are reasonable in the context of the applicable financial reporting framework, or are misstated. In making this determination, the auditor is required to evaluate the effect of uncorrected misstatements on the financial statements. ISA 540 (Revised) provides guidance for that evaluation, consistent with ISA 450, *Evaluation of Misstatements Identified During the Audit*.

## IAASB potential issues or challenges identified for “responses to assessed risks of material misstatement”

- a) Determining the most appropriate response(s) to the assessed risks of material misstatement at the assertion level from among the testing approaches in paragraph 18 of ISA 540 (Revised).
- b) Determining whether to test the operating effectiveness of controls related to an accounting estimate.
- c) Appropriately applying the testing approach of obtaining audit evidence about events occurring up to the date of the auditor’s report, either alone or with another testing approach(es).
- d) Testing how management made the accounting estimate.
  - i. Testing management’s selection of the method, significant assumptions, and data used, including whether management’s judgments give rise to indicators of possible management bias.
  - ii. Understanding management’s application of the method involving complex modelling and testing complex models, including the integrity and completeness of the data used.
  - iii. Whether management has taken appropriate steps to understand and address estimation uncertainty, including the selection of an appropriate point estimate and developing related disclosures about estimation uncertainty.
- e) Developing an auditor’s point estimate or range.
  - i. Determining when it may be appropriate to develop an auditor’s point estimate or range.
  - ii. Determining that the auditor’s range includes only amounts that are supported by sufficient appropriate audit evidence and have been evaluated to be reasonable in the context of the measurement objectives and other requirements of the applicable financial reporting framework.
  - iii. Maintaining objectivity and independence, for example, when material adjustments are made to management’s point estimate based on the auditor’s point estimate developed using a model or assumptions that were different from management’s models and assumptions.
- f) Determining whether the accounting estimates and related disclosures are reasonable in the context of the applicable financial reporting framework or are misstated.
- g) Evaluating identified misstatements related to accounting estimates, including when the audit evidence supports a point estimate that differs from management’s point estimate or a range that does not include management’s point estimate, or when the auditor’s range is wide (in some cases, multiples of materiality for the financial statements as a whole).

# Responses to the Assessed Risks of Material Misstatement: staff ranking and description of issue

## Significant issues

Determining most appropriate response from among the testing approaches in para 18

### Issue

- The either/or in the testing approaches creates challenges. Lines become blurry when move from one method to another.
- Whether a “reasonableness” test is appropriate for developing a point estimate or is it required to be more precise.

## Moderate issues

Evaluating identified misstatements related to accounting estimates, including when the audit evidence supports a point estimate that differs from management’s point estimate or a range that does not include management’s point estimate, or when the auditor’s range is wide (in some cases, multiples of materiality for the financial statements as a whole).

### Issues:

- The expected level of precision in the auditor’s estimate where there are implicitly high levels of uncertainty
- When the auditors estimate does not match the client’s estimate there is a lack of clarity on what steps should be taken to resolve the difference.

## No issues

Determining whether to test operating effectiveness of controls related to an estimate

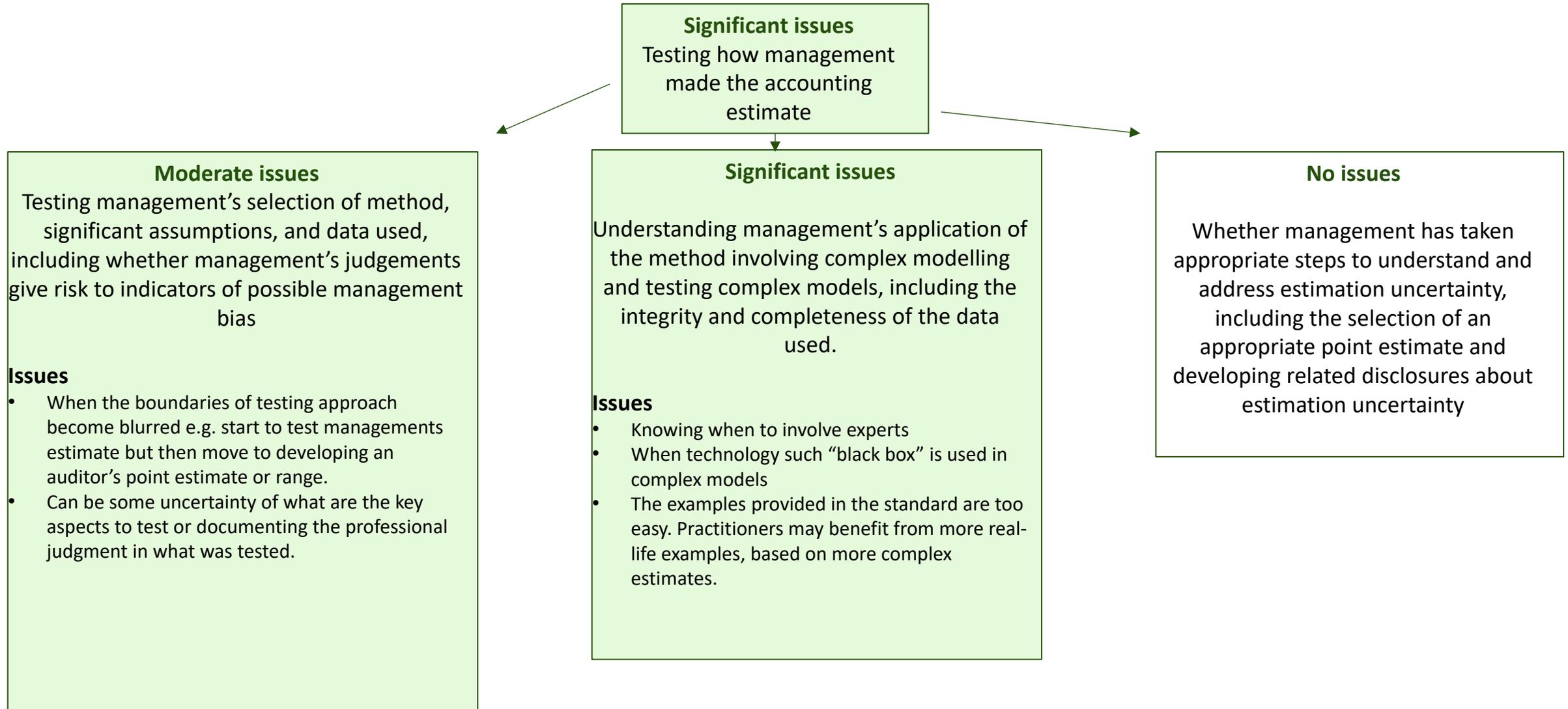
## No issues

Appropriately applying the testing approach of obtaining audit evidence about events occurring up to the date of the audit report, either alone or with another testing approach

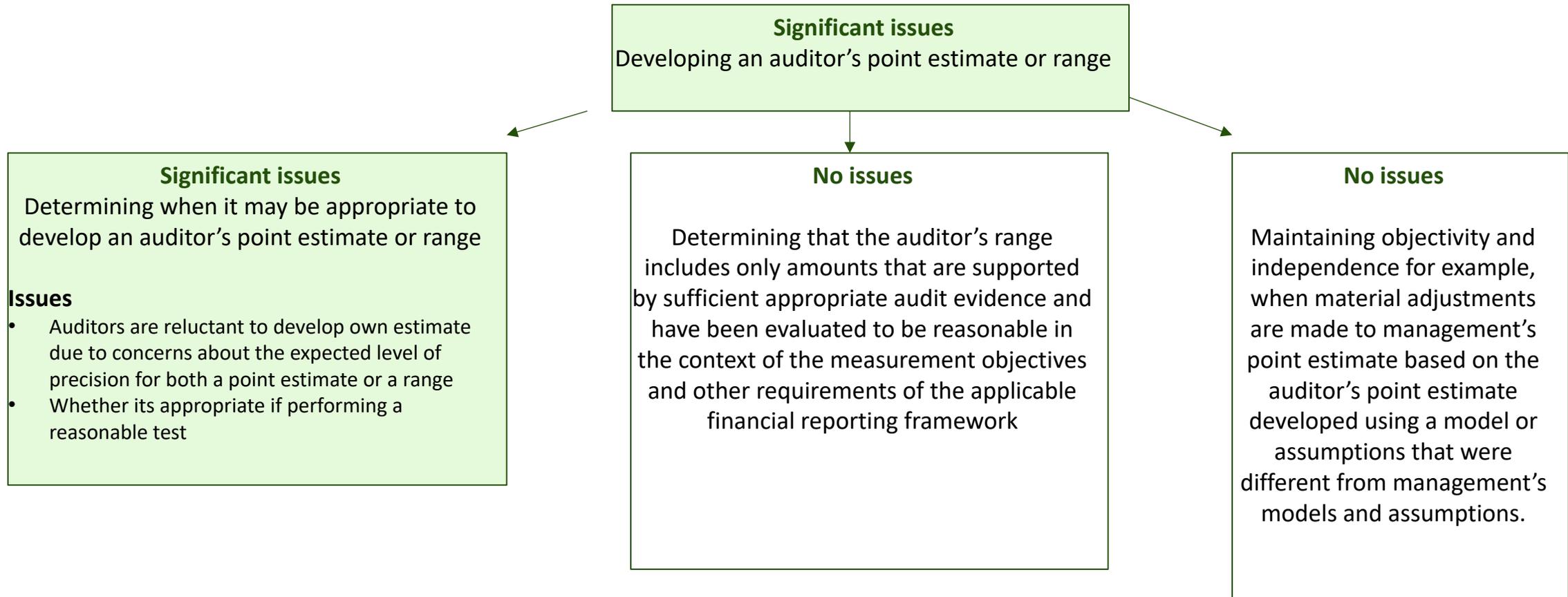
## No issues

Determining whether the accounting estimates and related disclosures are reasonable in the context of the applicable financial reporting framework or are misstated

# Responses to the Assessed Risks of Material Misstatement: staff ranking and description of issue



# Responses to the Assessed Risks of Material Misstatement: staff ranking and description of issue



## Other Matters – Communications, Specialised Skills or Knowledge and Documentation

ISA 540 (Revised) enhanced the requirements for other aspects of auditing accounting estimates and related disclosures, such as:

- Communication with TCWG, management or other relevant parties;
- Specialized skills or knowledge, including using the work of an auditor's expert; and
- Documentation.

## IAASB challenges identified for “communications, specialised skills or knowledge and documentation

- a) Determining the matters, if any, to communicate related to accounting estimates, (including about significant qualitative aspects of the entity’s accounting practices and significant deficiencies in internal control).
- b) Determining when it is appropriate to involve an auditor’s expert(s) (an internal or external expert) and using the work of an auditor’s expert(s) in auditing an accounting estimate(s).
- c) Preparing appropriate audit documentation in accordance with the requirements in paragraph 39 of ISA 540 (Revised).

# Communication, specialised skills/knowledge and documentation: staff ranking and description of issue

## Communications

### No issues

Determining the matters, if any, to communicate related to accounting estimates, (including about significant qualitative aspects of the entity's accounting practices and significant deficiencies in internal control).

## Specialised skills or knowledge

### Significant issues

Determining when it is appropriate to involve an auditor's expert(s) (an internal or external expert) and using the work of an auditor's expert(s) in auditing an accounting estimate(s).

### Issues

- Understanding when to involve an expert
- Selecting an appropriate expert when there is a divergence in practice of the underlying expertise
- Lack of clarity on the scope of work expected by an auditor expert versus the audit team. E.g. who is testing what, what evidence is required, should the expert be developing their own point estimate or assessing managements' estimate

## Documentation

### No issues

Preparing appropriate audit documentation in accordance with the requirements in paragraph 39 of ISA 540 (Revised).

## Non-authoritative guidance and support tools

The IAASB also issued non-authoritative materials to support the adoption and effective implementation of ISA 540 (Revised), including presentations, flowcharts and diagrams and illustrative examples (refer to the [ISA 540 Implementation Webpage](#)).

### *Survey Question*

Do you agree that the non-authoritative guidance and support tools developed to support the implementation of ISA 540 (Revised) are useful?

### *Staff draft response*

Yes agree. We note that there is more demand for non-authoritative guidance to support implementation of the standards. Further “complex” examples would be encouraged.

## NZAuASB Board meeting summary paper

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**Meeting date:** 1 April 2026

**Subject:** **Post implementation reviews: Restructured Code and NOCLAR**

**Date:** 19 March 2026

**Prepared by:** Lisa Thomas

**Reviewed by:** Misha Pieters

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**Action Required**

**For Information Purposes Only**

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### Agenda item objectives

1. The objectives of this agenda item are to:
  - (a) update the Board on the IESBA post-implementation reviews (PIRs) of the restructured Code and non-compliance with laws and regulations (NOCLAR) provisions, including consideration of relevant New Zealand implications.
  - (b) obtain the Board's views to inform the developing response to the PIR survey questions through a facilitated brainstorm, using staff's preliminary views as a starting point for discussion.

### Background

2. In Q3 2025, the IESBA commenced PIRs on the restructured Code and NOCLAR<sup>1</sup>.
3. The objectives of the PIRs are to:
  - (a) Determine whether the enhanced structure and drafting of the Code and NOCLAR provisions are being consistently understood and implemented in a manner that achieves the intended purposes
  - (b) To identify practical challenges and concerns regarding the application of these standards
  - (c) To determine what actions, if any, are needed to address identified matters.
4. In March 2026 the IESBA approved two surveys to inform the PIRs on the restructured Code and NOCLAR. These surveys are expected to be issued on 1 April 2026 with comments due back to IESBA for the restructured Code 3 July and NOCLAR 30 July. We explore the indicative questions based on the IESBA's March papers in this agenda item.
5. As part of the XRB's strategic intent to ensure the assurance standards are fit for purpose, we will leverage off the information collected from New Zealand stakeholders on the IESBA surveys to inform us whether the restructured Code and NOCLAR provisions are working as intended and are locally relevant for the New Zealand market.

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<sup>1</sup> Paragraphs 125-141

## Restructured Code

6. In response to comments from various stakeholders on issues associated with the structure, clarity and usability of the Code, the 2018 Code integrated the following structural and drafting enhancements:
  - increased the prominence and emphasis of the requirements to comply with the fundamental principles, be independent where applicable, and apply the conceptual framework.
  - clearly distinguished requirements from application material
  - increased the clarity of responsibility in relation to independence; and
  - increased the clarity of language to improve readability and understandability.
7. The draft Restructured Code survey covers questions on:
  - The building block approach
  - Helpfulness of the “guide”
  - Emphasising compliance with the fundamental principles and applying the conceptual framework
  - Distinction between requirements and application material
  - Scalability and proportionality
  - Clarity of language.
8. The survey also includes a general section on our role as standard setter in the adoption and supporting the implementation of the Code.
9. The increasing length of the Code is a locally relevant consideration. It creates challenges in maintaining a large Code and in meeting the understandability and accessibility guidelines that apply to our role as secondary legislation setter.

## NOCLAR

10. The NOCLAR provisions are a response framework to guide assurance practitioners in public practice and in business on how to best act in the public interest when they become aware of NOCLAR or suspected NOCLAR. In encountering such circumstances, the framework guides the assurance practitioner in how to assess the circumstances and possible courses of actions.
11. The framework, with an effective date of July 2017, was developed in response to concerns following corporate scandals in the early 2000s. Whilst assurance practitioners had an ethical responsibility not to turn a blind eye to NOCLAR, there were concerns from regulators and other stakeholders that the duty of confidentiality acted as a barrier to disclose instances of NOCLAR to regulatory and enforcement authorities. Auditors simply resigned without matters being addressed, and there was a lack of guidance in the Code on an appropriate course of action.
12. In New Zealand, due to the legislative option for some tier 3 charities to have a review of their financial report, a compelling reason change was made to the NOCLAR provisions to include review engagements in Part 3. The provisions were also extended to other assurance engagements, however this was subsequently reversed by the NZAuASB on restructuring the Code. The NZAuASB challenged the premise previously expressed, noting that assurance practitioners performing other assurance engagements often do not have the same level of responsibility to respond to identified or suspected non-compliance as auditors do.

13. The NOCLAR survey seeks feedback on observed trends and outcomes from applying the provisions. There is also a general section on the role of the XRB as standard setter in the adoption and implementation support of the provisions, and the legal protections when disclosing NOCLAR in New Zealand.

## **Matters to consider**

14. Staff have incorporated relevant survey questions into slides to facilitate a discussion and obtain the Board's views. Preliminary staff views are included to help prompt the discussion.
15. Board members are encouraged to review the slides and consider whether they agree with the views presented or have additional perspectives.

## **Next Steps**

16. A consultation page will be created for each of the PIRs including some background and a link to the IESBA surveys.
17. The PIRs will be promoted via LinkedIn and during the Assurance need-to-know webinar on 31 March 2026.
18. In addition, outreach is planned during May with assurance practitioners from both large and mid-size firms, professional bodies, regulators and academics.
19. A final draft response to the IESBA surveys, incorporating feedback obtained, will be brought to the NZAuASB June meeting for approval.

## **Recommendations**

20. For the Board to share their views on the anticipated PIR survey questions on the restructured Code and NOCLAR provisions.

## **Material presented**

- Board meeting summary paper
- Survey questions slides

# Post Implementation Reviews

## Restructured Code

## Non Compliance with Laws and Regulations

# Restructured Code

## Building Blocks and the “guide”

The Restructured Code has four Parts which are focused on all professional accountants (Part 1), professional accountants in business (Part 2), professional accountants in public practice (Part 3), independence for audit and review engagements (Part 4A), and independence for other assurance engagements (Part 4B).

A building blocks approach was applied whereby Part 1 applies to all professional accountants but is not repeated in subsequent Parts. Rather, the provisions in subsequent Parts are incremental in nature and build off Part 1.

Each Part includes various Sections to address specific topics. Each Section of the Restructured Code is structured, where appropriate, as follows:

- Introduction – sets out the subject matter addressed within the section and introduces the requirements and application material in the context of the conceptual framework.
- Requirements – establish general and specific obligations with respect to the subject matter addressed.
- Application material – provides context, explanations, suggestions for actions or matters to consider, illustrations and other guidance to assist in complying with the requirements.

To guide users in navigating the provisions in the Code, a “Guide to the Code” was added.

## Building blocks and the “guide”

- **Do you think the building-blocks approach of the Code is simple and clear, and does it help in navigating the Code?**
  - a) *The building block structure and length of the Code can provide difficulties in navigating to the correct area for a particular issue. This potentially leaves the users uncertain if they have found all the relevant areas to address an issue. This could be helped by including more references to other relevant sections.*
  - b) *Potential unnecessary repetition for example Part 4A and 4B. Could this be combined with headings where requirements differ for audit versus other assurance in a similar manner to PIE and non-PIE requirements.*
  
- **Is the “Guide to the IESBA Code” helpful in explaining how the Code is structured and should be applied?**
  - a) *The guide is helpful, but it could be enhanced by including examples in this section. i.e. an example of a topic for section 2 and 3*
  - b) *Some kind of signal to highlight the importance of the guide would be useful since it is essential reading particularly for first time users.*
  - c) *The term “might” in the requirements causes confusion e.g. “might create a self-review threat” - could be interpreted to mean a lower bar than the very high bar it does mean. The use of examples to illustrate the definitions may help address any confusion.*
  - d) *In New Zealand the Code is issued as secondary legislation. Because the Guide is explanatory in nature and does not contain requirements, it has been removed from the Code and issued as a separate guidance document to the Code.*

## Compliance with the fundamental principles and applying the conceptual framework

### *Emphasizing Compliance with the Fundamental Principles and Applying the Conceptual Framework*

To emphasize a professional accountant's responsibility to comply with the fundamental principles and apply conceptual framework:

- An overarching requirement was included in Sections 200, 300, 400 and 900; and
- Reference to the requirement to apply conceptual framework is included in the introductory sections of the remaining Sections within Parts 2, 3 and 4 of the Restructured Code.

- **Is it clear within each Section that a professional accountant (or firm as appropriate) has the responsibility to comply with the fundamental principles and apply the conceptual framework?**
  - a) *Yes, however the sections do not clearly and consistently identify which fundamental principles are relevant. It is recommended that compliance with all fundamental principles that may be impacted by the identified threat are included consistently. For example, part 3 Conflicts of Interest, in the introduction section discusses the principle of "objectivity", and other principles and later on in that section it starts discussing "confidentiality". The introduction of professional appointments says "one or more fundamental principles" and section 325 on quality reviewers the introduction discusses "objectivity".*

## Requirements and application material

### *Distinction Between Requirements and Application Material*

To give more prominence to obligations set out in the Code (including specific prohibitions) and separate them from guidance or explanatory material, requirements are clearly distinguished from application material:

Requirements are designated with the letter “R” and, in most cases, include the word “shall”. The word “shall” in the Code imposes an obligation on a professional accountant or firm to comply with the specific provision in which “shall” has been used. In some situations, the Code provides a specific exception to a requirement. In such situation, the provision is also designated with the letter “R” and is linked to the requirement to which they pertain by using the phrase “as an exception to.”

Application material is designated with the letter “A.” Such provisions will follow the requirement that they are explaining.

Requirements will not reference application material to avoid blurring the distinction between requirements and application material.

- **Does the IESBA Code’s approach to delineating requirements (“R” paragraphs) from application material (“A” paragraphs) make it clear what a professional accountant’s or firm’s obligations are?**
  - *Yes, the use of R and A is a clear approach to delineate the requirements.*
  - *Due to the length of the Code, is there an opportunity to shorten the Code by focussing on requirements and move the application material to non-authoritative material.*

## Scalability and proportionality

### *Scalability*

The Restructured Code was organized to illustrate the Code's scalability by giving greater prominence to the overarching requirement to comply with the fundamental principles and apply the conceptual framework, followed by specific requirements.

Requirements that apply to firms when providing professional services to public interest entities (PIEs) are located after requirements that apply to other entities.

- **Is it sufficiently clear that the Code is scalable and proportionate?**

*The use of headings for PIE and non-PIE is useful to illustrate scalability*

## Language and readability

### *Clarity of Language and Readability*

The Restructured Code was redrafted to increase the clarity of language to improve its readability and understandability, including use of simpler and shorter sentences, simplifying complex grammatical structures, and avoiding legalistic and archaic terms.

Further, to minimize the risk of ambiguity and confusion through inconsistent use of terms, the IESBA agreed that:

- When the word “may” is used in the Code, it denotes permission to take a particular action in certain circumstances, including as an exception to a requirement. It is not used to denote possibility.
- When the word “might” is used in the Code, it denotes the possibility of a matter arising, an event occurring or a course of action being taken.

### • **Is the language used in the Code clear, readable and understandable?**

- *We acknowledge the improved use of simpler, shorter sentences and use of active language. However, we continue to encourage the IESBA to continue to refine, shorten sentences and use plain language particularly for complex areas.*
- *The term “might” in the requirements causes confusion e.g. “might create a self-review threat” - could be interpreted to mean a lower bar than the very high bar it does mean. The use of examples to illustrate the definitions may help address any confusion.*

## Other comments

- **Any other comments relating to the structure and drafting?**
  - a) Length and complexity of the Code is a continuing concern as more and more is added in response to issues raised. This may lead to inconsistent interpretation and application and result in a barrier to use.*
  - b) The length of the Code causes difficulties in maintenance of such a long document with complex formatting and drafting conventions and meeting the understandability and accessibility guidelines for secondary legislation setters.*
  - c) More practical examples that sit outside the Code that go through the framework and thought processes may be helpful particularly where there are new requirements*
  - d) Lack of clarity on the application to review engagements as the collective term "audit" is used to apply to reviews in part 4. Using the term "audit" to encompass both engagements runs the risk of being misapplied in practice.*

# Non Compliance with laws and regulations (NOCLAR)

## Introduction

The IESBA NOCLAR provisions establish a response framework to guide auditors, other professional accountants in public practice, and professional accountants in business in deciding how best to act in the public interest when they become aware of NOCLAR or suspected NOCLAR.

NOCLAR is an act of omission or commission, intentional or unintentional, committed by a client or employer, or by those charged with governance (TCWG), by management or by other individuals working for or under the direction of a client or employer which is contrary to the prevailing laws or regulations.

Key intended outcomes in the public interest include:

- Ensuring that professional accountants respond in a timely way to identified or suspected NOCLAR
- Rectifying, remediating, or mitigating the adverse consequences of identified or suspected NOCLAR to stakeholders and the general public
- Deterring the commission of NOCLAR
- Stimulating increased reporting of identified or suspected NOCLAR where required by law or regulation, or where determined appropriate use the Code in the public interest.

## Survey questions and staff preliminary responses

- **Do users of PES 1 have an overall understanding of the local NOCLAR provisions and how is this evaluated?**

*As part of our planned outreach we will explore the overall understanding, however we have received no queries on the area.*

- **Have you observed any trend in instances of NOCLAR reported or escalated?**

*This is a matter we will explore with regulators and professional bodies over our engagement period*

- **Are there any challenges in applying the NOCLAR provisions?**

- a) More guidance would be useful when the assurance practitioner suspects NOCLAR that involves management, where management and TCWG are the same people i.e. no higher level of management to take the issue to in the first instance.*
- b) In some instances of NOCLAR or suspected NOCLAR it may difficult (particularly early on) to determine whether it will cause substantial harm or is clearly inconsequential e.g. an environmental or health and safety breach may have greater impact over a greater period if not rectified.*
- c) The small nuances between the requirements are not clear and may cause these differences to be inadvertently missed. At first glance requirements appear similar on a particular issue and a detailed comparison is required to identify differences.*
- d) The requirements aren't clear on how time may affect the assurance practitioner's judgement of assessing the appropriateness of the response by management and determining whether further action is needed. For example, the time for management to take to investigate an issue raised, consider whether there has been non-compliance (the client may want to obtain a legal opinion), and resolving the impact if any on the financial statements (contingency or provision) etc. may take a number of weeks. When would the assurance practitioner be "resolved" of having acted appropriately in the public interest by a reasonable and informed third party.*

## Survey Questions and staff preliminary responses

- **From your observations has the application of the NOCLAR provisions been effective in deterring commission of NOCLAR, or rectifying, remediating or mitigating the consequences of NOCLAR?**  
*No anecdotal evidence to date*
- **Are you aware of any instances when you have encountered NOCLAR or suspected NOCLAR but did not apply the provisions in whole or in part?**  
*Not aware of any instances*
- **What further efforts should IESBA pursue to enhance the effectiveness of implementation of the IESBA NOCLAR provisions globally?**  
*Provide guidance material on complex situations that walk you through the framework*
- **Any other comments or specific matters on the NOCLAR provisions?**  
*As businesses become more complex and regulated, it is difficult for the assurance practitioner to keep up with all relevant laws and regulations for an organisation.*

## NZAuASB Board meeting summary paper

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**Meeting date:** 1 April 2026  
**Subject:** **Jurisdictional Standard Setters Meetings**  
**Date:** 19 March 2026  
**Prepared by:** Misha Pieters

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**Action Required**  **For Information Purposes Only**

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### Agenda item objectives

1. The Board is asked to NOTE the agenda topics for the upcoming Jurisdictional Standard Setters Meetings and provide input to inform our participation.

### Background

2. NZAuASB Chair and the XRB's Director of Assurance will observe the Stakeholder Advisory Council Meetings and participate in the IAASB and IESBA jurisdictional standards setters' (JSS) meetings to be held at the PIOB offices in late April/early May.
3. The JSS agenda is summarised in the appendix. We expect the papers to be received after the NZAuASB April meeting. This paper explores questions we seek input from board members on.

### Matters to consider

#### Post-implementation review of ISA 315 (Revised 2019)

4. **Do board members have views on the benefits or challenges of implementing ISA 315 (Revised 2019), Identifying and Assessing the Risks of Material Misstatement?**
5. The standard was revised to respond to challenges. The revisions were intended to:
  - Promote consistency in application of procedures for risk identification and assessment
  - Make the standard more scalable
  - Reduce complexity to make the standard more usable
  - Encourage a more robust risk assessment
  - Support implementation by including application material that recognised the evolving environment, including on IT.

#### Audit sampling

6. **Do board members have views on challenges relating to audit sampling and what, if any, further action is needed?**
7. The IAASB has agreed to exclude standard setting revisions to the audit sampling standard as it was agreed that the principle-based requirements remain appropriate (they continue to apply regardless of whether technology is used or not).

8. The IAASB are still exploring whether non authoritative material is needed to enhance consistency in practice. Guidance would not stray into firm methodology on determining sample sizes, using statistical vs non-statistical sampling methods, and how sampling units should be selected for testing.
9. Based on some initial discussions with practitioners, we have heard that guidance on the following matters could be helpful:
  - Using sampling when investigating exceptions identified from large data sets with the use of technological tools;
  - Stratifying a population (for example multi-locations) and combining sub populations; and
  - Examples that illustrate when audit evidence obtained from other procedures can reduce sample sizes such that sampling risk is reduced to an acceptably low level.

### **Subject matter specific assurance services**

10. **Do board members have insights on subject matter-specific assurance engagements (whether mandatory or voluntary)?**
11. The IAASB's 2024-2027 work plan allowed for possible additional standard setting for sustainability engagements. It is now recognised that more time is needed for adoption and implementation before contemplating further standard-setting action.
12. A reserve topic was assurance on Digital Reporting Tagging (e.g., XBRL tagging of financial and non-financial information). Possible other topics relate to the use of different third-party assurance reports, whether related to the operating effectiveness of controls or specific subject matter information, or other assurance over an entity's Artificial Intelligence (AI) system or AI governance framework.
13. XRB has issued domestic other assurance standards as follows:
  - [SAE 3100 \(Revised\)](#) NZ Standard on Assurance Engagements, Compliance Engagements
  - [SAE 3150](#) NZ Standard on Assurance Engagements, Assurance Engagements on Controls
  - [SAE 3450](#) NZ Standard on Assurance Engagements, Assurance Over Financial Information Prepared in Connection with a Capital Raising
  - [NZ AS 1 \(Revised\)](#) and [NZ SRE 1](#) dealing with audits and reviews of service performance information.

### **Material presented**

- Board meeting summary paper

## Appendix

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### Overview of agenda items to be discussed

#### IAASB JSS agenda covers:

- Jurisdictional developments of international relevance
  - XRB responses are due in late March. Information received from other JSS will be shared once received
- Technology-Related Matters
  - Obtain views on the appropriateness and completeness of the Catalog of issues and Possible actions. (Refer to separate agenda item on technology)
- Post-implementation review of ISA 315 (Revised)
  - Exchange views on the benefits and challenges of implementing ISA 315 (Revised)
- Audit sampling
  - Standard setting has been excluded from modernizing the 500 series project. Obtain views about what further action, if any, may be needed
- Subject matter specific assurance services
  - Obtain views on evolution and priorities of different types of subject matter specific assurance services

#### IESBA JSS agenda covers:

- Jurisdictional developments of international relevance
  - XRB responses are due in late March. Information received from other JSS will be shared once received
- Firm culture and governance (FCG)
  - Exchange views on the development of a FCG framework, including its design, authority and location  
Discussed at last NZAuASB meeting. Key points reflected in the February minutes
- Sustainability Assurance Engagements
  - Receive updates on CSRD and IESBA's workstream on independence standards for sustainability assurance engagements outside the scope of the IESSA (Part 4B project).  
XRB response included in agenda pack
- Role of CFOs
  - Breakout sessions will explore the evolving role of CFOs and the pressures they face and the implications for the Code. This is outside the mandate of the XRB
- Alternative Practice Structure of Accounting Firms
  - Receive updates from AICPA and the IESBA on workstream's focused on private equity investments in accounting firms

## NZAuASB Board meeting summary paper

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**Meeting date:** 1 April 2026  
**Subject:** **Interim Review Engagements**  
**Date:** 19 March 2026  
**Prepared by:** Sharon Walker  
**Reviewed by:** Misha Pieters

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**Action Required**

**For Information Purposes Only**

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### Agenda item objectives

1. The objective of this paper is to:
  - provide the Board with an update on the IAASB’s project to revise ISRE<sup>1</sup> 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*;
  - discuss plans for the New Zealand consultation; and
  - seek approval of the New Zealand consultation document.

### Background

2. Interim financial reporting within the annual reporting cycle provides regular and timely updates about an entity’s financial position and performance that inform users’ capital allocation decisions, contributing to market stability. While management is responsible for the preparation of the interim financial information, the review of that information by the auditor of the entity, enhances the confidence of intended users of that information.
3. ISRE 2410 is largely unchanged since it was issued in 2005. ISRE 2410 is not in the “clarity” format (the IAASB’s Clarity<sup>2</sup> project was completed in 2008) and has not been subject to conforming and consequential amendments to avoid giving the impression that it is up to date.
4. The IAASB considers that modernising ISRE 2410 is necessary to support confidence in interim financial reporting, promote consistency in practice globally, and strengthen the linkage between the annual audit and interim review engagements.
5. The XRB has regularly requested that the IAASB prioritise revising ISRE 2410. The IAASB included the revision in the current work plan, and XRB staff have been supporting this project, together with AUASB staff.

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<sup>1</sup> International Standard on Review Engagements (ISRE)

<sup>2</sup> The IAASB’s clarity project reviewed the drafting conventions of the ISAs to identify ways to improve the clarity, and therefore the consistent application, of International Standards issued by the IAASB. It resulted in the issue of redrafted ISAs in what is commonly referred to as the Clarity format.

6. Because ISRE 2410 has not been maintained to date, the XRB previously determined that it was not fit for purpose in New Zealand. Rather, the XRB issued a domestic standard, NZ SRE 2410<sup>3</sup>, which incorporates requirements and application material beyond that contained in ISRE 2410 and is harmonised with the Australian standard. NZ SRE 2410 was issued in June 2020.
7. The IAASB is expected to approve its exposure draft of revised ISRE 2410 at its March 2026 meeting. ([link](#) to IAASB March 2026 meeting materials). The key matters addressed in the international project are summarised in the appendix.

## Consultation

8. The XRB's strategy is to adopt international standards where appropriate to ensure global consistency and credibility, while making targeted modifications where necessary to ensure the standards operate effectively within the New Zealand regulatory and reporting environment.
9. In light of the project to revise ISRE 2410, and consistent with XRB strategy, we intend to move from the extant domestic standard to align with the revised ISRE 2410 once finalised.
10. The IAASB exposure draft is expected to be released in early May 2026 with a 120 day comment period. The XRB's goal is to issue all international exposure drafts within three weeks of release to enable the longest time for engagement with stakeholders.
11. Because the exposure draft will be released between NZAuASB meetings we are seeking approval of the NZ consultation now so that we are in the best position to achieve the stated performance expectations.

## Matters for consideration

12. The XRB Board has established a minimum set of due process requirements to be followed by the NZAuASB in carrying out its responsibilities. Those requirements are set out in [Explanatory Guide Au2 Overview of the Auditing and Assurance Standard Setting Process](#). In developing New Zealand standards that are based on international standards, the NZAuASB takes into account the due process followed by the IAASB.
13. The New Zealand consultation is undertaken in parallel with the international consultation. This allows the views of New Zealand stakeholders to feed into the submission on the international exposure draft.
14. In addition to the questions raised in the international exposure draft, due process requires us to understand the benefits and costs of the proposal specific to New Zealand and whether there are compelling reasons for the proposals to be modified in New Zealand.
15. We have not identified any compelling reason changes.
16. The benefit and cost considerations are described in the draft consultation document.

### Questions for the NZAuASB:

- i. Do you agree with the identified benefits and costs?
- ii. Are there any other benefits or costs to consider?
- iii. Do you agree with the questions for consultation?

<sup>3</sup> New Zealand Standards on Review Engagements (NZ SRE) 2410, *Review of Financial Statements Performed by the Independent Auditor of the Entity*

## Action requested

17. The NZAuASB is asked to approve the New Zealand consultation.

## Next steps

18. During the consultation period, staff will undertake a combination of targeted and general outreach to support informed feedback. This will include targeted engagement with audit firms that perform interim reviews engagements as well as broader outreach to preparers, users, and regulators through our usual consultation channels.
19. At the June meeting we will explore the Board's views on the key proposals included in the exposure draft.
20. At the August meeting we will seek Board approval of the XRB's submission.

## Material presented

- Board meeting summary paper
- Draft consultation paper

## Appendix

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1. The overall objective of the project to revise ISRE 2410 is to establish a global baseline for the consistent performance of interim review engagements. In particular, the project aims to modernise and revise ISRE 2410 to:
  - a. Address stakeholder expectations regarding matters to be addressed in an interim review engagement, while remaining proportionate to an interim review engagement; and
  - b. Promote consistent practice by independent auditors when designing and performing procedures for and reporting on engagement to review interim financial information.
2. Key matters addressed in the international project include:
  - a. Clarifying the principles and concepts relevant to the interim review engagement.
    - i. Redrafting ISRE 2410 in the “clarity format”.
    - ii. Aligning with concepts and terms used in the International Framework for Assurance Engagements.
    - iii. Drawing on relevant concepts and principles of the IAASB’s other limited assurance standards.
  - b. Modernising ISRE 2410 to meet the expectations of intended users about the auditor’s responsibilities for the review of interim financial information including considering, in a proportionate manner, whether new requirements or application material are necessary to address:
    - i. The relationship between ISRE 2410 and the quality management standards, including quality management at the engagement level.
    - ii. The auditor’s responsibilities relating to:
      1. Understanding the entity and its environment, the applicable financial reporting framework and the entity’s system of internal control.
      2. Accounting estimates.
      3. Going concern, including related to management’s assessment of going concern in the interim review engagement
      4. Fraud and non-compliance with laws and regulations
      5. Other information.
    - iii. Special considerations in group interim review engagements.
  - c. Exploring enhancements to the form structure and presentation of the auditor’s interim review report and considering whether and, if so, how certain matters are included in the report, including going concern related matters.
  - d. Other enhancements to address continued practical challenges with consistently interpreting and applying specific aspects of ISRE 2410 including:
    - i. Materiality
    - ii. First time engagements
    - iii. Engagement acceptance and continuance
    - iv. Application of professional scepticism and professional judgement
3. Because NZ SRE 2410 was revised and reissued in June 2020 the main differences between the domestic standard and the proposed revised ISRE 2410 relate to:

- The auditor's work effort related to going concern and enhanced transparency in the interim review report about going concern-related matters.
- The auditor's response when the auditor becomes aware of fraud or suspected fraud in the interim review engagement.
- Use of component auditors in the interim review engagement.

# Review of Interim Financial Information

Consultation

Consultation closes  
15 July 2026

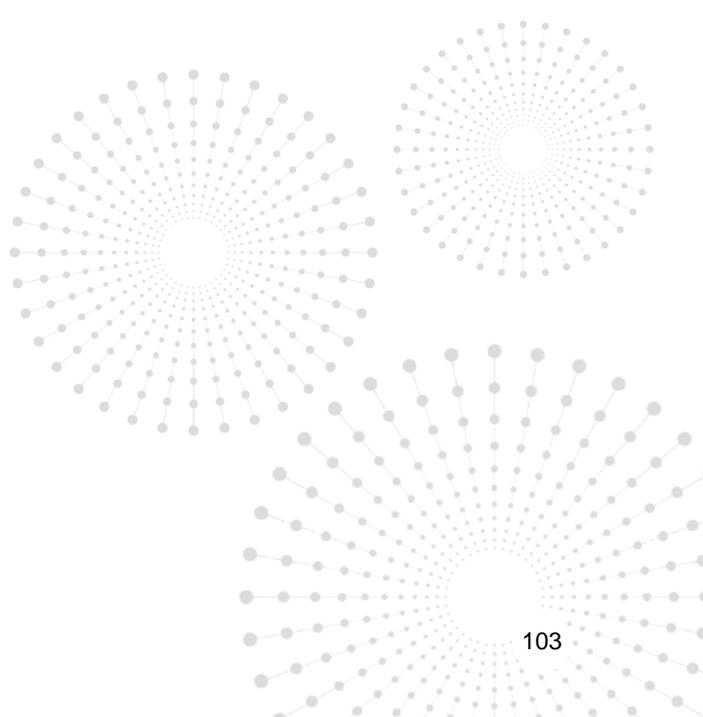


May 2026



# Contents

	<b>Page</b>
<b>Introduction</b> .....	<b>3</b>
What is this consultation about? .....	3
How to provide feedback .....	3
Questions for respondents .....	4
<b>Background</b> .....	<b>4</b>
Adoption of international standards .....	4
Compelling reason test .....	5
Benefit and cost considerations .....	5



## Introduction

### What is this consultation about?

The International Auditing and Assurance Standards Board (IAASB) has issued for public consultation proposed International Standard on Review Engagements (ISRE) 2410 (Revised), *Review of Interim Financial Information Performed by the Independent Auditor of the Entity's Annual Financial Statements*.

The XRB's strategy is to align with international auditing and assurance standards and to make adjustments to ensure they are locally relevant. Your views are important to help inform us when developing our response to the IAASB, and when considering whether there are any compelling reasons for the proposals to be modified for application in New Zealand.

If we have not identified any compelling reasons changes needed in New Zealand, we intend to issue an equivalent ISRE (NZ)<sup>1</sup> 2410. Minimal changes may be made only to reflect references, language and grammatical conventions used in New Zealand.

This exposure draft is your opportunity to comment on the New Zealand standard. This document should be read in conjunction with:

- IAASB exposure draft ISRE 2410 (Revised)
- The IAASB's explanatory memorandum which provides full background to, and an explanation of, the IAASB's proposed revision of ISRE 2410 (Revised)

### How to provide feedback

#### Responding to consultation questions

We are seeking comments on the questions raised in the table below and in the IAASB explanatory memorandum.

Please feel free to comment on any or all of the questions or any part of the proposed standard. Where possible, please provide sufficient and clear information to support your views.

#### Making a submission

Feedback can be provided orally or in writing.

You can provide feedback to us via:

- The consultation page on our website (where you can complete the online form and/or upload your comments); or
- Emailing your formal or informal comments to [assurance@xrb.govt.nz](mailto:assurance@xrb.govt.nz).

You will be able to provide oral comments at our feedback session. Information about our feedback session can be found on our consultation page. [date to be determined]

The closing date for submissions is **15 July 2026**.

#### Publication of submission, the Official Information Act and the Privacy Act

All submissions will be published on the XRB website unless confidentiality is requested. If you object to the release of any information in your submission, please identify the specific parts and the reasons under the Official Information Act 1982. We reserve the right not to publish defamatory submissions. Submissions are subject to the Official Information Act 1982 and the Privacy Act 2020. The XRB will handle personal information in accordance with these Acts.

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<sup>1</sup> International Standard on Review Engagements (New Zealand) (ISRE (NZ))  
Page 3 of 6

## Questions for respondents

Q1: Do you agree that there are no compelling reasons for the proposals to be modified for application in New Zealand? If not, please explain why not.

Q2: In your view, what are the anticipated benefits of adopting the proposed ISRE 2410 (Revised)?

Q3: What are the anticipated initial and ongoing costs of adoption?

Q4: Considering the benefits and costs identified above, do you expect the benefits of adopting the proposed ISRE 2410 (Revised) to outweigh the costs for your organisation? Please provide your reasoning.

## Background

Interim financial reporting provides regular and timely updates about an entity's financial position and performance. While management is responsible for the preparation of the interim financial information, the review of that information by the auditor of the entity, enhances the confidence of intended users of that information.

The IAASB issued ISRE 2410 in 2005 and it has remained largely unchanged since. ISRE 2410 is not in the "clarity" format (the IAASB's Clarity<sup>2</sup> project was completed in 2008) and has not been subject to conforming and consequential amendments to avoid giving the impression that it is up to date.

The revision of ISRE 2410 is directed at building and sustaining trust in the interim financial reporting process by strengthening the consistency and rigour of how auditors perform and report on interim review engagements. These objectives align directly with the public interest framework's emphasis on standards that promote consistent behaviours, reinforce the auditor's mindset, including professional scepticism, and support transparent reporting that enhances confidence in reported information

Revisions to the standard reflect public interest considerations around audit quality and confidence in financial reporting by modernising the ISRE 2410 so that it better aligns with principles and concepts in current standards for limited assurance engagements, and recent developments in areas such as fraud and going concern.

Because ISRE 2410 has not been maintained to date, the XRB previously determined that it was not fit for purpose in New Zealand. Rather, the XRB has issued a domestic standard, NZ SRE 2410<sup>3</sup>, which incorporates requirements and application material beyond that contained in ISRE 2410 and is harmonised with the Australian standard. The current version of NZ SRE 2410 was issued in June 2020.

The XRB supports the revision of this standard.

## Adoption of international standards

The XRB's strategy is to adopt international standards where appropriate to ensure global consistency and credibility, while making targeted modifications where necessary to ensure the standards operate effectively within the New Zealand regulatory and reporting environment.

Consistent with XRB strategy, once the revised ISRE 2410 is finalised, we intend to replace the domestic standard NZ SRE 2410 to align with the latest international standard.

<sup>2</sup> The IAASB's clarity project reviewed the drafting conventions of the ISAs to identify ways to improve the clarity, and therefore the consistent application, of International Standards issued by the IAASB. It resulted in the issue of redrafted ISAs in what is commonly referred to as the Clarity format.

<sup>3</sup> New Zealand Standard on Review Engagements (NZ SRE) 2410, *Review of Financial Statements Performed by the Independent Auditor of the Entity*

In developing New Zealand standards that are based on international standards, the NZAuASB takes into account the due process followed by the IAASB. The NZAuASB considers that where a technical issue is identified as significant enough to be addressed by the IAASB, similar issues exist in New Zealand and standard setting action is required.

### Compelling reason test

The NZAuASB makes compelling reason changes to the text of an international standard only where the standard does not appropriately reflect New Zealand legal or regulatory arrangements, or does not adequately serve the New Zealand public interest.

No compelling reason changes have been identified for this proposed standard.

#### Questions for respondents:

Q1. Do you agree that there are no compelling reasons for the proposals to be modified for application in New Zealand? If not, please explain why not.

### Benefit and cost considerations

As part of our due process, we consider the benefits and costs of revising the New Zealand standard.

#### Benefits

The revisions may result in the following benefits:

- *Clear and consistent global baseline* for interim review engagements, enhancing comparability and confidence for users of interim financial information
- *Robust requirements* that are clearer and strengthened in key public-interest areas such as going concern and fraud are expected to improve consistency and quality in practice
- *Enhanced transparency* should result in more transparent and useful interim review reports
- *Strengthening the link with the audit* supports a more coherent assurance framework across the reporting cycle
- *International alignment* may lower costs for firms that operate internationally or across Australia and New Zealand. Using a common baseline reduces the need for multiple methodologies, training streams and bespoke local interpretations.

#### Costs

The revisions may result in the following costs:

- *Time and resource investment* Adoption is expected to involve additional costs for practitioners, particularly in higher-risk areas such as in the consideration of going concern and fraud-related matters, where strengthened requirements may require increased work effort and professional judgement
- *One off costs* Firms will need to update methodologies, templates, and systems, and provide training. These costs may have a disproportionate impact on firms that perform interim review engagements infrequently.

We believe that adoption of the revised ISRE 2410 in New Zealand will enhance the quality of interim review engagements, thereby supporting trust and confidence in the market.

#### Questions for respondents:

Q2: In your view, what are the anticipated benefits of adopting the proposed ISRE 2410 (Revised)?

Q3: What are the anticipated initial and ongoing costs of adoption?

Q4: Considering the benefits and costs identified above, do you expect the benefits of adopting the proposed ISRE 2410 (Revised) to outweigh the costs for your organisation? Please provide your reasoning.

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## NZAuASB Board meeting summary paper

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**Meeting date:** 1 April 2026  
**Subject:** **Sustainability Assurance**  
**Date:** 16 March 2026  
**Prepared by:** Karen Tipper  
**Reviewed by:** Misha Pieters

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**Action Required**  **For Information Purposes Only**

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### Agenda item objectives

1. The objective of this agenda item is to INFORM the Board about:
  - (a) the planned outreach and guidance plan to support implementation of existing, and adoption and implementation of the new sustainability assurance and ethical standards to be used for the mandatory assurance of GHG emissions disclosures.
  - (b) Recent ISO developments relating to verification and validation of sustainability information.

### Background

2. In August 2023, the NZAuASB issued [NZ SAE 1](#).<sup>1</sup> This was a temporary standard for the mandatory assurance of the Greenhouse Gas (GHG) disclosures in the climate statements. This was in advance of an international assurance standard for sustainability assurance. NZ SAE 1 requires the use of one of two international standards when conducting the assurance engagement: ISO 14064:3-2019<sup>2</sup> and ISAE (NZ) 3410<sup>3</sup>.
3. Following NZAuASB approval, in March 2026, we:
  - (a) issued [International Standard on Sustainability Assurance \(New Zealand\) \(ISSA \(NZ\)\) 5000, General Requirements for Sustainability Assurance Engagements](#) that incorporated the revocation of:
    - i. NZ SAE 1 and
    - ii. ISAE (NZ) 3410.
  - (b) revoked extant PES 1<sup>4</sup> and reissued [PES 1](#) that incorporated:
    - i. International Ethics Standards for Sustainability Assurance (including International Independence Standards) (New Zealand) (IESSA (NZ))

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<sup>1</sup> New Zealand Standard on Assurance Engagements 1, *Assurance Engagements over Greenhouse Gas Emissions Disclosures*

<sup>2</sup> ISO 14064-3: 2019 *Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements*

<sup>3</sup> International Standard on Assurance Engagements (New Zealand) 3410, *Assurance Engagements on Greenhouse Gas Statements*

<sup>4</sup> Professional and Ethical Standard 1, *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)*

- ii. other revisions to the Code
  - iii. Revisions Addressing Using the Work of an External Expert.
4. These new standards are applicable for periods beginning on or after 15 December 2026. Sections 5405 and 5406 relating to independence at a value chain component are not applicable until periods beginning on or after 1 July 2028.
  5. Consultation feedback indicated a need for adoption and implementation resources to support the transition to these new standards. This request was made from both practitioners currently using ISO 14064-3:2019 and those using ISAE (NZ) 3410.
  6. This paper outlines staff plans to support the transition from NZ SAE 1 to newly issued standards, including:
    - (a) awareness raising, webinars and stakeholder in-person events, and
    - (b) non-authoritative guidance.

Prioritisation of guidance and other non-authoritative material will be informed based on stakeholder queries.

### Awareness Raising

7. An assurance alert was issued in March 2026 to inform stakeholders that the standards have been issued. A LinkedIn post was also published on 18 March 2026 to increase stakeholder awareness of the new standards.
8. The following events are planned to build awareness

Title	Scope (what will be covered)	Audience	Dates
<b>Need-to-know</b>	High level overview of new standards	Assurance practitioners	<b>31 March 2026</b>
<b>CA ANZ Conference</b>	Sustainability assurance panel discussion	CA ANZ members	<b>20 May 2026</b>
<b>ISSA (NZ) 5000 deep dive</b>	Application date New requirements Applicability to GHG disclosures assurance	Assurance practitioners	<b>September 2026</b>
<b>PES 1 Deep Dive</b>	Split application date What are the changes What are the new requirements Transitional provisions	Assurance practitioners	<b>October 2026</b>
<b>Workshop Sustainability assurance implementation</b>	Readiness discussions. Transition from NZ SAE 1	Assurance practitioners	<b>November 2026</b>

### Non-authoritative guidance

9. The priorities identified below are based on feedback received and may evolve as practitioners engage with the standards and questions and challenges arise.
10. Staff recommend deferring the restatements guidance, which was targeted for release in May 2026, to December 2026. While this remains an important topic, it is expected to be

more relevant once the adoption provisions that defer assurance of scope 3 GHG emissions are no longer available and scope 3 GHG emissions disclosures assurance becomes more common in the market. Staff consider issuance of the illustrative assurance reports for ISSA (NZ) 5000 to be a higher priority and have therefore prioritised this work ahead of the restatements guidance.

11. Staff intend to bring the illustrative assurance reports for approval by the Board in the August NZAuASB meeting.

<b>Guidance (working title)</b>	<b>Scope (what will be covered)</b>	<b>Audience</b>	<b>Why?</b>	<b>Dates</b>
<b>Materiality FAQs</b>	Are separate assurance conclusions needed for each scope of emissions? Determining materiality for GHG emissions disclosures and whether a separate materiality is required for each scope How assurance practitioners communicate materiality judgements in the assurance reports.	Preparers, assurance practitioners	Response to questions asking for clarity of the assurance paragraph in NZ CS <sup>5</sup> .	<b>30 April 2026</b>
<b>GHG illustrative assurance reports</b>	Illustrative assurance reports for the mandatory assurance of GHG emissions disclosures required by the FMC Act pursuant to ISSA (NZ) 5000	Assurance practitioners	Tailor international illustrations for the unique New Zealand context	<b>31 August 2026</b>
<b>Restatements</b>	Why these are common for GHG emissions information and that they are not the same as when you restate in financial information. What is required in NZ CS and what is optional (only required for errors)? What should be considered/documentated (and disclosed if appropriate) when thinking about restatements. What is required from an assurance practitioner (mandatory assurance) for errors (mandatory restatement) and other restatements? What will the assurance report look like? What needs to be considered for the prior	Preparers, assurance practitioners	Expected to be common in latter years of reporting Clarification of the extent of consideration of restatements in the context of our mandatory regime	<b>31 December 2026 (deferred from May 2026)</b>

<sup>5</sup> NZ CS 1 General Requirements for Climate-related Disclosures, [paragraph 26](#)

	year? What needs to be assured? These will be more common			

## Recommendations

12. We recommend that the Board note:
- (a) the planned outreach and guidance plan.
  - (b) the update on ISO developments

## Material presented

- Board meeting summary paper

## Appendix

### ISO developments

13. XRB staff have been monitoring ISO developments and their relevance to New Zealand.
14. In February 2026, the International Organisation for Standardisation (ISO) issued three standards in the ISO 14019 series that cover the process of validating and verifying sustainability information. This is the first ISO standard series, that we are aware of, that covers sustainability information.
15. These standards are applicable to both quantitative and qualitative information and contain requirements for both limited and reasonable assurance.
16. The standards cover the following:
  - (a) ISO 14019-1 includes terminology, principles and general requirements applicable to both validation (assurance of forward-looking information) and verification (assurance of historical information).
  - (b) ISO 14019-2 includes specific principles and requirements for verification processes.
  - (c) ISO 14019-3 includes specific principles and requirements for validation processes (currently in development).
  - (d) ISO 14019-4 contains additional specific principles and requirements for validation/verification bodies and their staff.
17. Feedback received during the sustainability assurance consultation confirmed practitioners' intention to apply ISSA (NZ) 5000. In December 2025, the NZAuASB decided to adopt ISSA (NZ) 5000 as the assurance standard for the reduced scope of entities remaining in the mandatory regime.
18. Staff have included this ISO update because these standards may be relevant to, or used for, voluntary sustainability assurance in New Zealand. Staff will continue to monitor these standards and their uptake in New Zealand, as they may become relevant if sustainability assurance legislation changes in future.

## NZAuASB Board meeting summary paper

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**Meeting date:** 1 April 2026  
**Subject:** **Technology update**  
**Date:** 19 March 2026  
**Prepared by:** Thinus Peyper

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**Action Required**

**For Information Purposes Only**

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### Agenda item objectives

1. The objectives of this agenda item are for the Board to:
  - a) NOTE the IAASB’s action plan for developing non-authoritative guides on technology quality management; and
  - b) DISCUSS the IAASB’s technology catalogue.

### IAASB’s proposed non-authoritative guides

#### Background

2. The IAASB held several roundtables globally to gather information on firms’ quality management practices over their use of emerging technologies<sup>1</sup> in audits. The purpose of gathering this information was to consider whether the IAASB should clarify how its quality management standards apply to emerging technologies and, if so, what form that clarification might take.
3. At its December meeting (after considering an [issues paper](#) outlining the themes from all the roundtable discussions in appendices 3 and 4, and incremental / region-specific insights from New Zealand, Australia and the Middle East in [appendix 5](#)), the IAASB agreed to develop an action plan for developing guidance that aims to support the consistent and effective application of the quality management standards to emerging technologies.

#### Matters to note

4. In December 2025, we described to the Board, the key messages coming out of the roundtable held in Auckland, including that we did not identify a need to prioritise local guidance before understanding the IAASB’s future plans. The Board agreed and was of the view that we are in “active monitoring” and “learning mode” recognising an appetite for guidance but not wanting to get ahead of global developments.
5. We therefore included, for the Board’s information, extracts of the IAASB’s action plan for developing guidance in Appendix 1. The extracts describe the scope of the guidance, grouping the scope into 3 themes, and the timeframe for developing the guidance.

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<sup>1</sup> Emerging technology exhibit one or more of the following characteristics:

- Opacity: when the tool’s logic or decision-making process is not transparent.
- Non-determinism: when identical inputs can produce different outputs because of probabilistic processing or contextual sensitivity.
- Adaptivity: when the tool evolves after deployment through user interactions, updates or retraining.

## IAASB's technology catalogue

### Background

6. The IAASB monitors emerging technologies that are being adopted by entities and audit firms, on an ongoing basis. The IAASB is considering the effect of emerging technologies on the IAASB's standards, and whether any actions are required, including all tools in the toolbox, from standard setting through to developing guidance.
7. A [catalogue](#) (also available in supplementary agenda pack), is regularly updated to capture the issues identified and to outline preliminary actions to address the issues, for example, developing guidance. The actions have also been prioritised.

### Matters to consider

8. The IAASB and IESBA jurisdictional standard setters (JSS) meeting takes place between 30 April 2026 and 1 May 2026. The meeting agenda includes the sharing of jurisdictional views on the appropriateness and completeness of the catalogue.
9. To date, we have not heard any concerns from stakeholders related to the catalogue and wanted to see whether the Board is of a similar view.

### Recommendation

10. We recommend that the Board:
  - a) NOTE the scope, structure and timetable for developing non-authoritative guidance and provide any views they may have on the extracts provided in Appendix 1.
  - b) DISCUSS whether the catalogue remains appropriate or whether there are issues to be added, and possible actions to reprioritise.

### Material presented

- Board meeting summary paper
- Appendix 1 – Proposed technology quality management guidance series
- Supplementary paper – IAASB Technology Catalogue

## Appendix 1: Proposed guide series

Scope of the guidance as discussed at the March IAASB meeting:

<b>Tool lifecycle stage</b>	<b>Network (when applicable)</b>	<b>Firm</b>	<b>Engagement team (firm-approved tools)</b>	<b>Engagement team (non-firm-approved tools)</b>
<b>Engagement with third-party service providers</b>	Governance arrangements for provider selection and contracting, where applicable; network support made available to firms	Firm policies for evaluating and approving providers and solutions; understanding provider assurances and constraints; firm accountability retained	Considerations when engagement teams use firm-approved third-party tools, including understanding intended use and conditions	Considerations when engagement teams propose to use external tools that have not been approved by the firm but may be used under the firm's policies or procedures, including any required pre-use evaluation of appropriateness, restrictions on use, escalation where required, and engagement partner accountability for judgements and conclusions
<b>Development of a tool</b>	Network development or configuration support, if provided; coordination of methods, templates, or centralised capabilities, including communication of intended use parameters and known limitations	Firm development; defining intended use; validation approach; competence and capabilities; governance and accountability where development/configuration is provided through network arrangements (including the extent of reliance)	How engagement teams implement and use firm-approved configurations; roles of specialists; documentation of setup and controls	Considerations when engagement teams develop, configure or modify tools that have not been approved by the firm but may be used under the firm's policies or procedures, including any required pre-use assessment of appropriateness, escalation, documentation, and use conditions
<b>Deployment of tool</b>	Network deployment support, if applicable; communication of updates and known limitations	Firm authorisation for use; access controls; deployment criteria; change management; training	Engagement partner responsibilities for appropriate use; direction, supervision and review over use; managing the risk of inappropriate overreliance	Use of tools that have not been approved by the firm but may be used under the firm's policies or procedures, including required safeguards relating to confidentiality and data governance, restrictions on use, and documentation expectations
<b>Post-deployment &amp; decommissioning</b>	Network monitoring support, if applicable; centralised issue identification and communications, including inputs to firms on observed performance trends and fit-for-purpose considerations	Ongoing monitoring, incident response, remediation, and reassessment of quality risks; managing updates and other changes that affect behaviour, including ongoing assessment of whether the tool remains fit for purpose	Monitoring outputs and performance in engagement context; documenting oversight; responding to issues and changes affecting reliability	Identifying, documenting, and escalating issues arising from tools that have not been approved by the firm but may be used under the firm's policies or procedures, including communication of issues affecting reliability, appropriateness, confidentiality, or continued use

The matters in the above table will be grouped into the following three themes:

<b>Theme 1</b>	<b>Third-party onboarding of foundational models and solutions</b> Firm-level quality management considerations when selecting, onboarding and approving foundational models and/or integrated third-party solutions for use in engagements, including understanding the intended purpose, capabilities, and limitations, and service provider arrangements that support its use.
<b>Theme 2</b>	<b>Tool layer governance</b> Quality management considerations when firms implement, develop, or configure technological tools (including workflows) that build on third-party foundational models and solutions, including defining intended-use, testing/validation, approval for use, change management, and ongoing monitoring.
<b>Theme 3</b>	<b>Engagement-level use, oversight, and accountability</b> Engagement-level quality management considerations when tools are used in performing procedures, including direction, supervision, and review; evaluating the reliability and appropriateness of outputs; documentation of use and oversight; and interaction with specialists.

#### Timetable

<b>Timeline</b>	<b>Development Activity</b>
<b>Q1 to Q2 2026</b> <b>June 2026 IAASB meeting</b>	<ul style="list-style-type: none"> <li>• Establish the Expert Group and commence engagement</li> <li>• Develop a list of topics that will be covered in the guide series</li> <li>• Commence drafting of guides for selected topics</li> <li>• Board input on: <ul style="list-style-type: none"> <li>○ The proposed list of topics to be covered by the guide series</li> <li>○ Draft content in guides on selected topics</li> </ul> </li> </ul>
<b>Q2 2026 to Q1 2027</b>	<ul style="list-style-type: none"> <li>• Continue to engage with the Expert Group and undertake outreach with key stakeholders, including, as appropriate, targeted consultation of proposals</li> <li>• Continue drafting of guides for selected topics</li> <li>• Board input on draft content in guides on selected topics</li> <li>• Board approval, in public session, on completed guides</li> </ul>
<b>Q1 to Q2 2027</b> <b>June 2027 IAASB meeting</b>	<ul style="list-style-type: none"> <li>• Continue to engage with the Expert Group and undertake outreach with key stakeholders, including, as appropriate, targeted consultation of proposals</li> <li>• Continue drafting of guides for selected topics</li> <li>• Present remaining completed guides to the Board for approval</li> </ul>
<b>Q3 2027 and beyond</b>	<ul style="list-style-type: none"> <li>• Monitor technological developments and emerging practice to identify matters that may warrant updates to the guides and/or supplemental material</li> </ul>