

**Meeting:** IESBA

**Meeting Location:** New York

**Meeting Date:** March 10-12, 2025

## **Agenda Item**

# **5**

### **Emerging Issues and Outreach Committee (EIOC) Update**

#### **Objectives**

1. To consider an update from the EIOC on select emerging issues.
2. To consider an update on the topic of private equity investment (PEI) in accounting firms and an outline of a proposed IESBA Staff Alert.

#### **EIOC composition**

3. Members:
  - Vania Borgerth, Chair, IESBA Member
  - Rania Uwaydah Mardini, IESBA Member
  - Christelle Martin, IESBA Member
  - Amarjeet Singh, IESBA Member
  - David Wray, IESBA Member

Board Advisor on the topic of PEI in accounting firms: Richard Huesken

#### **EIOC Activities**

4. Since the EIOC's update in June 2024, the EIOC met twice in 2024 to review emerging issues screened by IESBA staff and assess those developments for consideration by the IESBA.
5. In [November 2024](#), Staff updated the Stakeholder Advisory Council (SAC) and received feedback from SAC members through breakout group discussions on the potential implications of private equity investment in accounting firms relative to three fundamental themes – public trust, audit quality and independence, and governance and oversight.
6. Staff attended the [Private Equity Summit](#) presented by Accounting Today in November 2024 to gain insight about PEI from both accounting firms and private equity investors.
7. The EIOC convened virtually in February 2025 to deliberate various external developments and discuss agenda materials for this meeting. Additionally, regarding the topic of PEI in accounting firms, staff consulted with IESBA member Rich Huesken in developing an outline of a proposed IESBA Staff Alert on the topic, which will also be discussed during the meeting.

**Action Requested**

8. IESBA members are asked to:
  - (a) Consider the presentation and outline of the proposed IESBA Staff Alert; and
  - (b) Provide any comments or feedback.

**Next Steps**

9. Subject the Board's feedback, Staff plans to finalize the IESBA Staff Alert for issuance in Q2 of 2025.
10. The next EIOC session is scheduled for the September 2025 IESBA meeting.

**Material Presented**

Agenda Item 5-A          Private Equity Investment in Accounting Firms