

Meeting: IESBA
Meeting Location: New York
Meeting Date: March 9 – 12, 2026

Agenda Item

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Private Equity Investment in Accounting Firms

Objectives

1. To consider:
 - (a) Key proposals in the American Institute of Certified Public Accountants (AICPA) Professional Ethics Executive Committee's (PEEC's) December 2025 [Exposure Draft, Proposed Revisions Related to Alternative Practice Structures](#) (ED);
 - (b) Whether the IESBA should submit a response to the AICPA PEEC ED; and
 - (c) Whether the issues or matters addressed in the AICPA PEEC ED warrant IESBA consideration of prioritizing an information gathering workstream for purposes of determining the need for a potential revision to the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code).

Background to AICPA PEEC ED

3. The AICPA PEEC ED includes a proposal for a new “Alternative Practice Structures” (APS) interpretation under the AICPA's Independence Rule. As part of this ED, the AICPA PEEC is also proposing revisions to related interpretations and definitions (including the definition of network firm), and amendments to the conceptual framework in the AICPA Code of Professional Conduct to address threats arising in APS, including those involving private equity investment (PEI).
4. The proposals respond to developments in firm structures and investment models, particularly the increasing involvement of private equity investors in nonattest entities closely aligned with attest firms.

Overview of Key Matters

5. IESBA Staff will provide a high-level overview of the main proposals in the AICPA PEEC ED and draw attention to key matters that may be of relevance to the IESBA Code from a standard-setting perspective.
6. The presentation will focus on potential differences in approach, gaps, and implications for the IESBA Code.

Action Requested

7. IESBA members are asked to consider the presentation and discuss and agree:
- (a) Whether the IESBA should submit a response to the AICPA PEEC ED, and if so, what the approach to such a response might be; and
 - (b) Whether, in light of the AICPA PEEC ED proposals, there is a need to prioritize a workstream to gather information and undertake any necessary analysis as a basis for the IESBA to assess the need for a standard-setting project addressing APS, including APS involving PEI.

Material For Reference

November 2025 Accountancy Europe Information Paper, [*Beyond Private Equity: Third-Party Ownership in the Accountancy and Audit Sector*](#)