

Meeting: IESBA and IAASB Meetings

Meeting Location: IESBA: Madrid, Spain
IAASB: New York, United States

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IAASB: September 14-17, 2026

Agenda Item

8D

Private Equity and Other External Investments (PE&OEI) in Firms Questionnaire for Accounting Firms

I. Introduction

The IESBA and IAASB are jointly gathering information about Private Equity and Other External Investments (PE&OEI) in Firms in response to the rapid growth, increasing complexity, and evolving nature of external investment and ownership arrangements in accounting firms¹ globally. Building on the [IESBA's July 2025 Staff Alert on Private Equity Investment in Accounting Firms](#), and reflecting growing interest from professional accountancy organizations, regulators, oversight bodies, firms, and investors and other users in PE&OEI, the IESBA established the PE&OEI workstream. The IESBA's aim is to examine from an ethics and independence perspective private equity investment, alternative practice structures, multidisciplinary firms in the context of PE&OEI, employee ownership arrangements, venture capital investment, public listings, and other strategic investment models (see [Terms of Reference](#) for the IESBA PE&OEI workstream).

In relation to PE&OEI, the workstream seeks to develop an evidence-based understanding of evolving models of accounting firm ownership and investment in accounting firms, and their implications for ethics, independence, quality management, audit and other assurance quality, and the public interest. The Terms of Reference contemplate close coordination between the IESBA and the IAASB on the information gathering, given potential matters of mutual interest from the perspectives of both ethics and independence, and quality management and audit and other assurance quality, respectively. The information gathered will help determine whether the existing [International Code of Ethics for Professional Accountants \(including International Independence Standards\)](#) (the Code) and the IAASB standards remain fit for purpose or whether further standard-setting, the development of non-authoritative material, or other actions should be considered.

PE&OEI developments create opportunities for growth, innovation, technology, and access to capital. They also raise important questions about the impact on outcomes and behaviors within firms related to, for example, ethical conduct, independence, firm culture and governance, and strategic decisions and actions,

¹ This questionnaire uses the term "accounting firm" or "firm" to refer to a firm that provides professional services performed by professional accountants, for example, accounting, auditing, other assurance, tax advisory and compliance, forensic, insolvency, consulting, etc. When the questionnaire refers to a firm that provides only audit and/or other assurance services or a firm that provides only non-assurance services, the terms "audit firm" and "non-audit firm," respectively, are used.

including financial and operational priorities in the context of a firm's system of quality management, audit and other assurance quality, and the public interest.

Responses to the questionnaire will help the IESBA and the IAASB to better understand the global evolution of accounting firm structures and ownership models.² In particular, the information gathering will contribute to informing both Boards about whether any further action may be needed, by supporting their assessment of:

- For the IESBA, potential ethical, independence, and public interest implications; and
- For the IAASB, potential quality management and broader audit and other assurance quality considerations and public interest implications.

The IESBA and IAASB project teams recognize that some information requested in this questionnaire may be sensitive in relation to existing or planned transactions, arrangements, or activities. Responses will not be attributed to individual respondents. Instead, the project teams, will use the information on an aggregated basis, to identify themes, topics, and practices that enhance the Boards' understanding of the nature, legal form, and substance of PE&OEI and the related ethics, independence, quality management, and audit and other assurance quality considerations. Therefore, please answer the questions and provide details at the level and to the extent you consider appropriate, without sharing confidential or commercially sensitive information.

Additional information is available on the IESBA PE&OEI workstream webpage [here](#).

² The IESBA and IAASB have also sent questionnaires to professional accountancy organizations, regulators and jurisdictional standard setters as part of their joint information gathering on this workstream.

II. Respondent Contact Information

1. Accounting firm name:

2. Respondent name:

3. Position/title:

4. Email address:

5. Please indicate the geographical profile which best represents your firm, i.e., from which geographical perspective are you providing your response? *[Please select one]*

- ☐ Global

[Please specify]

- ☐ Regional

[Please specify]

- ☐ Multiple jurisdictions

[Please specify]

If your firm operates across multiple jurisdictions, you may respond from a multi-jurisdictional perspective or comment on as many jurisdictions as you consider relevant to the questions below.

- ☐ Single jurisdiction

[Please specify]

III. Firm Profile

6. Accounting firm size, network arrangements, and professional services provided

a) How would you describe the size of your firm? *[Please select one]*

- ☐ Small firm (up to 20 partners)
- ☐ Medium-sized firm (21 to 50 partners)
- ☐ Large firm (over 50 partners)

b) Is your firm part of a network? *[Please select all that apply]*

- ☐ Yes, part of a local network

[Please specify]

- ☐ Yes, part of an international network

[Please specify]

- ☐ No

c) Which of the following professional services does your firm provide? *[Please select one]*

- ☐ Non-assurance services only

[Please describe]

- ☐ Assurance services only

[Please describe and indicate whether this includes financial statement audits, sustainability assurance engagements, and other assurance engagements]

- ☐ Both non-assurance and assurance services

[Please describe and indicate whether assurance includes financial statement audits, sustainability assurance engagements, and other assurance engagements]

IV. Investment and Firm Structure

7. Many accounting firms have evolved into new structures as they seek to adapt to changing client needs and technology advancements, and take in new capital from external investors. These firm structures go beyond traditional partnership or privately held corporate ownership models.

Which of the following non-traditional firm structures or ownership models apply to your accounting firm? *[Please select all that apply]*

Organizational structures

- ☐ Holding company, where ownership is held through a parent company with limited operational integration among subsidiary accounting firms

- ☐ Platform company, where the parent or investment entity holds controlling interests in multiple accounting firms and provides centralized management or shared services (e.g., technology, HR, finance, marketing)
- ☐ Merger creating a multidisciplinary professional services firm with PE or OEI
- ☐ Common ownership under a private equity firm
- ☐ Accounting firm restructuring that separates advisory from audit/assurance services, with audit partners retaining responsibility for independence and audit quality. A long-term agreement governs staff, support services, workspace, and other resources provided to the audit entity.
- ☐ Other non-traditional firm structure

[Please describe]

Ownership models

- ☐ Publicly traded accounting firm on a stock exchange
- ☐ Employee-owned accounting firm through an employee stock ownership arrangement
- ☐ Private equity-backed accounting firm or accounting firm within a private equity-owned group
- ☐ Venture capital-backed accounting firm
- ☐ Other non-traditional ownership models

[Please describe]

8. Accounting firms may obtain capital through a variety of financing arrangements. Which of the following financing or capital models are currently being utilized by your accounting firm? *[Please select all that apply]*

- ☐ Initial public offering
- ☐ Private placement
- ☐ Employee stock ownership plan or similar employee ownership arrangement
- ☐ Private equity investment with minority ownership stake
- ☐ Private equity investment with majority ownership stake
- ☐ Venture capital investment with minority ownership stake
- ☐ Venture capital investment with majority ownership stake
- ☐ Sovereign wealth fund investment
- ☐ Pension fund investment
- ☐ Other external investment with minority ownership

[Please identify the investor type]

- ☐ Other external investment with majority ownership

[Please identify the investor type]

- ☐ Merger with another accounting firm
- ☐ Acquisition by another accounting firm
- ☐ Traditional financing and capital models, including borrowings and partner capital
- ☐ Other

[Please describe]

9. Which factors influenced your accounting firm to adopt this ownership or investment model? *[Please select all that apply]*

- ☐ Growth through mergers or roll-up³ strategies
- ☐ Growth through acquisitions or bolt-on⁴/add-on strategies
- ☐ Capital for technology or other infrastructure investment
- ☐ Talent attraction and/or retention
- ☐ Existing capital needs, including retirement and succession planning, debt repayment and paying down pension liabilities
- ☐ Expansion into new service lines
- ☐ Expansion into new geographical regions
- ☐ Improvements in operational efficiency
- ☐ Enhanced strategy and management and operational capabilities
- ☐ Other

[Please describe]

10. Has your accounting firm's ownership, governance, or operating structure changed since the initial PE&OEI transaction?

- ☐ Yes

[Please describe the nature, timing, and reasons for the changes, including Board composition where applicable]

- ☐ No

³ A roll-up merger is where smaller firms are bought and merged together to form a bigger firm.

⁴ Firms are purchased by a platform company firm and the firms continue to operate under their own names.

11. Who has the authority to appoint or remove individuals from the following roles in your accounting firm, where applicable?

- ☐ Chief Executive Officer (CEO)

[Please describe]

- ☐ Managing Partner, or equivalent

[Please describe]

- ☐ Board members or members of Managing Board of Partners, or equivalent

[Please describe]

- ☐ Individual(s) with Operational Responsibility for the System of Quality Management, for example Audit or Assurance Quality leader, or equivalent

[Please describe]

- ☐ Ethics and Independence Leader (or, if your audit firm is subject to ISQM 1, the equivalent individual(s) with Operational Responsibility for Compliance with Independence Requirements)

[Please describe]

- ☐ Individual(s) with Operational Responsibility for the Firm's Monitoring or Remediation Process

[Please describe]

- ☐ Partners or Engagement Leaders

[Please describe]

- ☐ Other personnel

[Please describe]

V. Due Diligence and Impact on Firm

Legal, Regulatory or Professional Requirements

12. Describe the legal, regulatory or professional requirements applicable to your accounting firm's ownership or external investment arrangement, in the following categories:

- a) Applicable licensing, governance, ownership, independence, regulatory, or professional requirements that applied when the ownership or external investment arrangements were implemented.

[Please describe]

- b) Regulatory review, actions, approvals, notifications, or conditions before or after implementing the arrangement.

[Please describe]

- c) Proposed or anticipated changes in legal, regulatory or professional requirements in your jurisdiction that may affect the firm's ownership or investment structure.

[Please describe]

13. Did your accounting firm engage with a regulator, oversight body, professional accountancy organization (PAO), or other relevant authority during the development, approval, or implementation of its ownership or external investment arrangement?

☐ Yes

[Please describe:

- *the organization(s) involved;*
- *when the engagement occurred, such as during early planning, transaction structuring, approval, or implementation;*
- *the purpose and nature of the engagement;*
- *the information or documentation requested or provided; and*
- *any feedback, conditions, recommendations, or approvals that influenced the final structure or implementation]*

☐ No

14. Since implementing its ownership or external investment arrangement, has your accounting firm been subject to any regulatory inspections, reviews, or inquiries relating to its ownership structure, external investment, governance, independence, or system of quality management?

☐ Yes

[Please describe, to the extent you are able:

- *the nature of the inspection, review, or inquiry;*
- *the key areas of focus;*
- *any observations, findings, recommendations, or required actions;*
- *any changes your firm implemented in response; and*
- *any lessons learned that may be helpful to other firms considering similar ownership structures]*

☐ No

Other Due Diligence Steps

15. Did your accounting firm undertake any other due diligence steps besides engaging with a regulator, oversight body, PAO, or other relevant authority prior to moving forward with the external investment arrangement?

☐ Yes

[Please explain]

☐ No

Ethics and Independence Considerations

16. As part of its due diligence prior to accepting external investment or as a result of accepting external investment, has your accounting firm encountered any issues or uncertainty in applying the ethics provisions of the Code, including with respect to the following areas? *[Please select all that apply]*

If so, what ethical and independence threats were created and why?

☐ Objectivity

[Please explain]

☐ Confidentiality

[Please explain]

☐ Conflicts of interest

[Please explain]

☐ Pressure

[Please explain]

☐ Other

[Please describe]

17. Please indicate whether any of the concerns identified above led to changes in the following areas: *[Please select all that apply]*

☐ Policy changes

[Please describe]

☐ Governance changes

[Please describe]

☐ Training

[Please describe]

☐ Escalation procedures

[Please describe]

☐ Other

[Please specify and describe]

☐ None

18. As part of its due diligence prior to accepting external investment or as a result of accepting external investment, has your accounting firm encountered any issues or uncertainty in applying the independence provisions of the Code, including with respect to the following areas?

Where possible, please provide examples, note any perceived gaps in the Code, and identify areas where additional guidance may be helpful, including with respect to (click the relevant link to navigate to the applicable definition or section of the Code):

a) Definition and application of "[firm](#)"

b) Definition and application of "[network](#)"

c) Definition and application of "[network firm](#)"

d) Definition and application of "[audit team](#)" and/or "[review team](#)"

e) Definition and application of "[assurance team](#)"

f) Definition and application of "[sustainability assurance team](#)"

g) [Financial interests](#)

h) [Business relationships](#)

i) Other

[\[Please describe\]](#)

19. Has your accounting firm encountered uncertainty in applying the Conceptual Framework in the Code to identify, evaluate or address threats to compliance with the fundamental principles and to independence arising from its ownership structure?

☐ Yes

[\[Please explain\]](#)

☐ No

20. What safeguards has your accounting firm put in place or what other actions has your firm taken, if any, (and, where applicable, agreed with regulators and / or oversight bodies) to ensure compliance with the Code, including independence requirements?

21. Were there any instances where PE&OEI has led your audit firm either resigning from, or not accepting, audit or other assurance engagements due to independence concerns?

☐ Yes

[\[Please explain\]](#)

☐ No

22. Where an external investor is involved in a PE&OEI situation, how has your accounting firm applied ethical and independence requirements to this investor and what requirements are they subject to, including independence requirements with respect to financial interest?

☐ Yes

[\[Please explain\]](#)

☐ No

Quality Management Considerations

23. Does your audit firm perform audits or reviews of financial statements, or other assurance or related services engagements (i.e., is your audit firm subject to the International Quality Management Standards⁵ or local equivalent quality management standards)?

- ☐ If Yes, please complete the remaining questions in this Quality Management section.
- ☐ If No, you may skip this section.

24. Considering your responses to Questions 18(a)-(c) above, explain whether there are any specific or additional matters that the IAASB should consider in relation to the impact of PE&OEI in firms on the definitions and application of “[firm](#),” “[network](#)” and “[network firm](#).”

[Please explain]

25. Accepting PE&OEI represents an event(s), condition(s) or circumstance(s) that would be addressed within an audit firm’s system of quality management, through its risk assessment, and monitoring and remediation processes. Specifically, in relation to the following aspects of these processes, has accepting PE&OEI in your audit firm resulted in: *[Note that quality risks and quality responses are addressed separately in questions 30 and 31 below.]*

- ☐ Additional or modified quality objectives

[Please describe]

- ☐ New or modified network requirements or network services

[Please describe]

- ☐ New or modified monitoring activities

[Please describe]

- ☐ Changes with respect to the nature or evaluation of findings and deficiencies in the system of quality management

[Please describe]

- ☐ New or modified remediation activities

[Please describe]

- ☐ Changes to monitoring activities undertaken by the network

⁵ Refer to the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements or Other Assurance or Related Services Engagements*; ISQM 2, *Engagement Quality Reviews*; and International Standard on Auditing (ISA) 220 (Revised), *Quality Management for An Audit of Financial Statements*.

[Please describe]

26. For each of the following components of your audit firm's system of quality management, describe whether it has been impacted by accepting PE&OEI and, if so, how. Please provide examples of prominent quality risks and/or responses and whether there may be any perceived gaps in the quality management standards:

- a) Governance and leadership

[Please describe]

- b) Relevant ethical requirements

[Please describe]

- c) Acceptance and continuance of client relationships and specific engagements

[Please describe]

- d) Engagement performance

[Please describe]

- e) Resources (including human, technological and intellectual resources and service providers)

[Please describe]

- f) Information and communication

[Please describe]

27. For each of the following specified responses under ISQM 1, describe whether it has been impacted by your audit firm accepting PE&OEI and, if so, how. Please provide examples, as appropriate, and indicate whether there may be any perceived gaps in the quality management standards.

- a) Policies or procedures that address communication about your audit firm's system of quality management with those charged with governance or other external parties.

[Please describe]

- b) Policies or procedures that address engagement quality reviews.

[Please describe]

28. Explain whether and, if so, the extent to which PE&OEI in your audit firm has impacted the following aspects of quality management at the engagement level:

- ☐ Engagement partner responsibilities

[Please describe]

- ☐ Relevant ethical requirements, including those related to independence

[Please describe]

- ☐ Acceptance and continuance of client relationships and audit engagements

[Please describe]

- ☐ Engagement resources

[Please describe]

- ☐ Direction and supervision of members of the engagement team and review of their work

[Please describe]

- ☐ Consultation

[Please describe]

- ☐ Engagement quality review

[Please describe]

- ☐ Monitoring and remediation – interaction between firm level and engagement level activities

[Please describe]

- ☐ Other

[Please describe]

29. Share your views on any areas related to quality management at the firm level or engagement level that may benefit from additional guidance related to applying the principles of the quality management standards to PE&OEI in audit firms.

[Please describe]

Other Post-investment Considerations

30. Has your accounting firm experienced any benefits or challenges in the following areas since accepting external investment? *[Please select all that apply]*

- ☐ Firm culture

[Please describe]

- ☐ Governance-related benefits or challenges

[Please describe]

- ☐ Strategic and operational alignment

[Please describe]

- ☐ Appropriately balancing financial and operational priorities with quality and public interest priorities

[Please describe]

- ☐ Ethics and independence

[Please describe]

- ☐ Changes in decision-making processes

[Please describe]

- ☐ Managing the external investor's expectations

[Please describe]

- ☐ Integration of the external investor into firm management processes

[Please describe]

- ☐ Regulatory approval processes

[Please describe]

- ☐ Other

[Please explain]

31. Where an external investor is involved in a PE&OEI situation, to what extent does the investor have influence over decisions in the following areas in your accounting firm?

Area	None	Limited	Moderate	Significant	Approval rights
Firm strategy					
Budget approval					
Partner remuneration and incentives					

Area	None	Limited	Moderate	Significant	Approval rights
Partner admissions					
Mergers, acquisitions or divestments					
Technology investments					
Quality objectives					
Quality management policies or procedures					
Ethics and/or independence policies or procedures					
Client acceptance and continuation					

32. Where an external investor is involved in a PE&OEI situation, has your accounting firm established financial or operational performance targets / indicators in agreement with the investor?

☐ Yes

[Please describe the nature and impact of those targets / indicators]

☐ No

33. Which categories of information does your accounting firm routinely provide to external investors or owners? *[Select all that apply]*

☐ Financial performance

☐ Operational performance

☐ People and culture

☐ Ethics, risk and quality *[For example, ethics or disciplinary matters, audit quality indicators, inspection findings, independence breaches, risk management reports, client complaints, litigation or regulatory matters]*

☐ Other

[Please specify]

VI. Future Developments, Including Investor Exit Strategy

34. Where applicable, please indicate the exit strategy the external investor in your accounting firm is anticipating as part of the investment arrangement: *[Please select all that apply]*

☐ Secondary sale to another private equity investor

- ☐ Initial public offering (IPO)
- ☐ Sale to a strategic buyer
- ☐ Employee buyback
- ☐ Leveraged buyout
- ☐ Management buyout
- ☐ No planned exit
- ☐ Unknown

35. Do you anticipate the exit plan will generate any specific ethical, independence, quality management or audit or other assurance quality considerations?

- ☐ Yes

[Please explain]

- ☐ No

[Please explain]

36. Do you expect the ownership model of your accounting firm to evolve over the next five years, besides changes that may arise from any investor exit?

- ☐ Yes

[Please explain why and how]

- ☐ No

37. Looking ahead, what ethics, independence or quality management issues, if any, do you expect to be more significant as PE&OEI arrangements become more established?

[Please explain]

VII. Other Matters

38. Are there any other matters related to non-traditional firm structures and ownership models, or more generally PE&OEI, that the IESBA or IAASB should consider?

39. Where applicable, would it be possible for the IESBA and IAASB to engage with your external investor, such as a private equity firm, as part of their information-gathering activities? If so, please provide the external investor's name and the contact details of an appropriate individual whom the IESBA and IAASB may contact, including their name, title, and email address.

