

Agenda Item 3-C.03 (Supplemental)

IESBA and IAASB Joint Stakeholder Survey – A.2 Digital Transformation – Digital Assets and Institutionalization of Digital Assets

04.01. 2 – Decreasing in importance

07. Accounting Firms

Forvis Mazars Global Limited (Mazars)

2 – Decreasing in importance

Digital assets is first and foremost an issue for financial reporting standard setters. The Boards should monitor any practice issues that arise from accounting for digital assets to consider whether any such issues should be addressed by the auditing or ethical standards.

With respect to auditing standards, guidance may be helpful to address risks such as demonstrating control and price volatility and ensuring proper cutoff. We note that some national standard setters have issued guidance, including accounting for, and auditing of digital assets, to address the lack of authoritative literature.

04.02. 3 – Slightly decreasing in importance

07. Accounting Firms

Grant Thornton International Ltd (GTI)

3 – Slightly decreasing in importance

We agree that institutionalization of digital assets is increasing; we also believe that the use of digital assets is more consistent and that knowledge of such technology is more widespread than other emerging technologies. As such, we suggest digital assets may be an appropriate topic for the SSBs to evaluate whether non-authoritative guidance published by jurisdictional standard setters and other reputable sources already exists and, where appropriate, provide a central location for users to access materials that the SSBs consider consistent with their standards. This would allow the SSBs' limited resources to focus on other high-priority matters given the knowledge of this technology is more widespread than other emerging technologies.

04.03. 4 – Slightly increasing in importance

02. Users of Financial or Non-Financial Information

CFA Institute

4 – Slightly increasing in importance

Believe this strongly hinges on stablecoins - regulatory developments and adoption by financial institutions, businesses, and households (i.e., beyond digital assets use for trading and investment purposes).

Impax Asset Management

4 – Slightly increasing in importance

While digital assets are becoming more institutionalised in certain markets, their relevance to mainstream investors and the broader financial reporting ecosystem remains uneven across jurisdictions and business

models. From Impax's perspective, this trend is important but more sector- and jurisdiction-specific than other digital transformation drivers.

That said, there remains a clear need for:

- Consistent audit and assurance approaches for digital asset custody, valuation, controls and disclosures, where material.
- Ethical and independence considerations where firms provide both advisory and assurance services related to digital assets and blockchain systems.

Impax therefore sees this as a moderately increasing priority, but one that should be addressed in a targeted and proportionate manner.

Jane Wilson (Wilsojay Investments)

4 – Slightly increasing in importance

Loss of data because of digitization is a huge risk but may not be relevant to standards boards

Jose Esposito (Credicorp Ltd.)

4 – Slightly increasing in importance

Martin Lawrence (Ownership Matters Pty Ltd)

4 – Slightly increasing in importance

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

4 – Slightly increasing in importance

Digital assets and tokenized instruments present new audit and valuation challenges. While the scope may currently be concentrated in certain markets, clarity in standards will be important to avoid inconsistencies in practice and to ensure comparability where such assets become more institutionalized.

03. Preparers or Issuers of Financial Statements or Other Information

Business Europe

4 – Slightly increasing in importance

Audit and ethical standards should be sufficiently robust and adaptable to also address digital developments such as digital assets and related market infrastructure. The key impact is less about prescribing detailed processes and more about ensuring that practitioners understand the underlying developments and can respond appropriately, using the relevant tools in the toolbox.

As global economies evolve, targeted guidance or practice statements may in some cases be more useful than immediate standard-level changes, providing faster response to the market while safeguarding the quality of the standards and principles.

04. Those Charged With Governance

Kaori Ito (Yourmysyar Inc.)

4 – Slightly increasing in importance

The institutionalization of digital assets raises important issues around valuation, custody, and control where such assets become material. However, their relevance remains uneven across sectors, suggesting that

targeted guidance and consistent interpretation within existing frameworks may be more impactful than broad, system-wide standard-setting responses.

05. Regulators and Oversight Authorities

Independent Regulatory Board for Auditors (IRBA)

4 – Slightly increasing in importance

Martina Morrissey (IAASA)

4 – Slightly increasing in importance

06. Jurisdictional and National Standards Setters (JSS)

Compagnie Nationale des Commissaires aux Comptes (CNCC) - Conseil National de l'Ordre des Experts Comptables (CNOEC)

4 – Slightly increasing in importance

This is more a matter of financial reporting than an audit issue; at this stage, we have not identified the need for any additional standard setting in relation to digital assets.

With regard to the institutionalization of digital assets, the technical aspects are highly complex (existence, rights and obligations, valuation...), but the ethical aspect is not; it requires competence, professional skepticism, as already set in the fundamental principles of the code of ethics.

Japanese Institute of Certified Public Accountants (JICPA)

4 – Slightly increasing in importance

Royal Netherlands Institute of Chartered Accountants (NBA)

4 – Slightly increasing in importance

Blockchain, digital assets, including cryptocurrency or other emerging technologies can be complex. Technical capabilities of financial auditors might be insufficient to fully assess for example the use of blockchain technology and cryptocurrency. Part of the audit needs to be performed by other professionals. This will cause an increase in use of specialists and the increasing importance of professional skepticism and judgement of the accountant. Any response, if needed, should focus on non authoritative guidance or knowledge-sharing rather than the creation of new standards.

Saudi Organization for Chartered and Professional Accountants (SOCPA)

4 – Slightly increasing in importance

Wirtschaftsprüferkammer (WPK)

4 – Slightly increasing in importance

IESBA:

No impacts are apparent.

IAASB:

Digital assets are generally considered to be of increasing relevance. However, it is questionable whether the IAASB is required to take action in this area. This seems to be primarily a trend for accounting, e.g. in respect of the valuation of digital assets.

07. Accounting Firms

Baker Tilly International

4 – Slightly increasing in importance

It is fair to say that technology such as blockchain has not grown as quickly as some first expected, so this feels like an area where standard setters should maintain a watching brief rather than it being a certain priority.

Kudos International

4 – Slightly increasing in importance

MAH, Chartered Accountants

4 – Slightly increasing in importance

no

RSM International Limited

4 – Slightly increasing in importance

Increasing prevalence and practical challenges with assurance procedures

We believe that digital assets have moved beyond the 'new and novel' phase and are now entering a stage where broader institutional adoption and practical application challenges are becoming more prominent. Holdings of digital assets continue to increase, and as a result, digital assets are transitioning from being a niche topic towards a more mainstream area of focus.

Due to the nature of digital assets, practitioners are encountering practical challenges that are not fully addressed by existing professional standards. These include determining what qualifies as a 'digital asset', auditing cryptocurrency and token holdings, validating ownership, relying on tools, such as blockchain explorers, and addressing assets held in private wallets.

Need for practical guidance

While many relevant principles exist within current professional standards, there is limited guidance from the SSBs on how they should apply principles to digital assets. Additional interpretive support may be helpful in areas such as valuation models, volatility and assessing impairment or obsolescence given the technical complexity and evolving nature of these assets. This lack of clarity may make engagements more difficult to execute consistently and defend under regulatory scrutiny as digital asset arrangements become more complex and institutionalised.

Consistent with our broader comments on emerging technologies, we believe the most effective response from standard-setting boards would be the development of practical, non-authoritative materials, rather than new requirements or professional standards. Many challenges faced by practitioners may be addressed by clarifying how existing standards apply to specific aspects of digital assets, rather than introducing entirely new professional standards. This approach would support consistency, flexibility and timely application in rapidly evolving areas.

09. Public Sector Organizations

Sanford Rich (NYC Board of Education Retirement System)

4 – Slightly increasing in importance

Digital assets disclosures are not significantly different than disclosures of other volatile assets, but must be transparent. The use of digital ledger technology will be a significant benefit to financial markets and should be transparent,

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

4 – Slightly increasing in importance

The importance of digital assets is expected to continue to increase over the next strategy period, although this trend is not new and its relevance varies across jurisdictions. The rapid growth of digital assets, including cryptocurrencies, tokenised securities and decentralised finance, is creating genuinely new audit, assurance and ethical and independence challenges for the profession. Regulatory frameworks are still catching up, and in that gap accountants face real uncertainty around valuation, disclosure and client accountability. IAASB and IESBA have a role to play in ensuring the audit and assurance standards and ethical guidance keep pace with the financial reporting landscape that looks fundamentally different to the one it was designed for.

Developments in this area are largely driven by financial reporting and regulatory frameworks, particularly the IFRS standards developed by the International Accounting Standards Board (IASB), however, they continue to have implications for audit, assurance, and ethics.

From an IAASB perspective, digital assets may give rise to specific challenges relating to audit evidence, valuation, and custody arrangements, particularly in the context of blockchain-based systems. These may require targeted guidance or incremental updates to existing standards.

From an IESBA perspective, considerations may arise in relation to professional competence and due care, especially where specialised knowledge is required, as well as potential risks associated with evolving business models.

Overall, while this trend is relevant, SSBs should focus on monitoring the developments of regulatory and financial reporting frameworks whilst simultaneously assessing the implications for audit, assurance and ethics and their future work as a result.

Belgian Institute of Tax Advisors and Accountants (ITAA)

4 – Slightly increasing in importance

Trading of digital information is happening constantly and is very worrisome for the secret of the profession.

Chamber of Hungarian Auditors (MKVK)

4 – Slightly increasing in importance

This trend is relevant, but in our view it is narrower than the broader impact of technology and AI on mainstream audit and assurance work. The SSBs should continue monitoring it and provide targeted guidance where digital assets create new valuation, custody, control, fraud, or disclosure challenges. A scalable approach would be preferable so that jurisdictions can respond proportionately according to market relevance.

Chartered Accountants Ireland (CAI)

The growing use and institutionalisation of digital assets is acknowledged as part of the broader digital transformation of the financial system. However, based on our assessment, it is not clear that this trend

gives rise to fundamentally new ethical issues that are not already addressed by the existing principles-based ethics framework.

To the extent that digital assets introduce new risks, these are primarily being addressed through jurisdiction-specific regulation, and existing auditing standards equally apply to the audit of digital assets as they do to tangible and intangible assets. Care should be taken to avoid duplication of effort or creating parallel ethical requirements in areas where regulatory authorities are already active. It is also worth noting that the audit of digital assets remains relatively uncommon in practice, particularly among smaller and mid-tier audit firms, and is currently concentrated in a limited number of sectors; as such, care should be taken not to generalise from a narrow subset of engagements when assessing ethical or audit-specific implications.

4 – Slightly increasing in importance

European Federation of Accountants and Auditors for SMEs (EFAA)

EFAA for SMEs considers the growing use and institutionalization of digital assets to be a slightly increasingly relevant trend for both the IAASB and IESBA over the 2028–2031 strategy period. While digital assets are not yet pervasive across all SMEs, their gradual integration into mainstream business activities, payment systems, and investment arrangements is already creating practical challenges for auditors and professional accountants, including those serving smaller entities.

Any future assurance initiatives in this area should remain scalable and clearly scoped, avoiding implicit expectations that SMPs perform highly specialized technology audits.

4 – Slightly increasing in importance

Polish Chamber of Statutory Auditors (PIBR)

4 – Slightly increasing in importance

04.04. 5 – Increasing in importance

02. Users of Financial or Non-Financial Information

Goro Kumagai (The Securities Analysts Association of Japan)

5 – Increasing in importance

International Corporate Governance Network (ICGN)

5 – Increasing in importance

This is an increasingly relevant area, particularly where digital assets affect audit evidence, valuation, custody, controls or risk assessment. The SSBs may need to draw on specialist expertise and consider whether guidance is needed to support consistent and high-quality application of existing standards. However, this should be proportionate and focused on areas where there is a clear public interest or quality concern.

Investment Company Institute

5 – Increasing in importance

Focus on monitoring developments, engaging with stakeholders and regulators, and providing practical guidance or educational materials where appropriate.

Kei Tsuchiya (The Securities Analysts Association of Japan)

5 – Increasing in importance

No comment.

03. Preparers or Issuers of Financial Statements or Other Information

Ajinomoto Co., Inc.

5 – Increasing in importance

The regulatory landscape for digital assets differs across jurisdictions, which is expected to increase uncertainty for companies regarding disclosure and audit or assurance requirements.

The SSBs are expected to clarify common principles and approaches from an assurance and ethics perspective, so that companies can address these issues consistently across jurisdictions.

Sevdalina Paskaleva

5 – Increasing in importance

05. Regulators and Oversight Authorities

National Association of State Boards of Accountancy (NASBA)

5 – Increasing in importance

Because the institutionalization of digital assets is rapidly accelerating in the U.S., NASBA believes that regulatory frameworks are necessary. Auditors of digital assets will require specialized procedures focusing on verifying ownership via private keys, ensuring proper valuation amidst high volatility and assessing internal control over custody. Likewise, ethical considerations should center on managing conflicts of interest, maintaining independence and addressing high fraud risks.

Public Accountants and Auditors Board Zimbabwe (PAABZ)

5 – Increasing in importance

There have been various jurisdictions that initially banned the use of digital assets, however discussions about legislating these assets are increasing. In the near future we are likely to see more jurisdictions legalizing the use of these assets. The virtual nature of digital assets renders traditional paper-trail auditing obsolete. The question of what constitutes sufficient and appropriate audit evidence has to be addressed. This also creates increased pressure to over rely on AI or blockchain analytics without fully understanding the evidence gathered.

Tokyo Stock Exchange

5 – Growing in Importance

As stated in the response to A1.

06. Jurisdictional and National Standards Setters (JSS)

Auditing and Assurance Standards Board of Canada (AASBC)

- Rapid increase in adoption by entities: Recent data from large firms indicates a significant and rapid increase in the use of cryptocurrencies for both investment and transactional purposes over the next two years. This trend increases the likelihood that digital assets will become more prevalent in audit engagements, underscoring the need for timely and scalable audit guidance.
- Stablecoin Regulation: Rising

stablecoin adoption has prompted the introduction of federal regulations (e.g., U.S. Stablecoins GENIUS Act), emphasizing the need for clear audit guidance on auditing stablecoin holdings and transactions.

5 – Increasing in importance

Brazil Institute of Independent Auditors (IBRACON)

5 – Increasing in importance

No.

GLASS Group of Latin American Accounting Standard Setters (GLENIF)

5 – Increasing in importance

- Develop specific guidelines for the auditing of digital assets.
- Digital assets present specific challenges for auditing and assurance, especially with regard to their valuation, existence, and control.
- Protocols for handling confidential information.

Instituto Mexicano de Contadores Públicos (IMCP)

5 – Increasing in importance

The use of digital assets is increasing in emerging countries such as Mexico, where there may be opportunities for new types of assurance engagements or related services. Therefore, having this topic on the agenda will allow practitioners from local jurisdictions to get access to sources of information, guidance and other materials that will prepare them for engagements with any third parties. Also, ethics materials should cover other topics related to digital assets.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

5 – Increasing in importance

CLOSE COORDINATION WITH THE REPORTING SSBs IS RECOMMENDED

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 warrant more active monitoring and may drive new reporting impacts and related 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 recommend close collaboration with the IASB to consider accounting for digital assets and assurance thereof in a joined-up matter.

We encourage the SSBs to consider:

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

07. Accounting Firms

Alan Am

see above

5 – Increasing in importance

BDO International Limited

- Linked to our responses to A.1, we recognise that this is a specialised area and requires additional SME input to both SSBs to reflect the environment within which the standards/the Code need to be applied.
- From a practitioner perspective, additional guidance and thought leadership on the potential impact on entities and those assuring those entities will be helpful.

- As noted in A.1, we also believe there are wider issues to be considered in terms of 'who' the practitioner is likely to be when technology is performing procedures (and the impact this has on extant standards which are focused on a human role such as 'the auditor').

- It will be essential that both SSBs have the latest practitioner and preparer practical expertise when developing such guidance.

5 – Increasing in importance

Deloitte Touch Tohmatsu Limited

5 – Increasing in importance

Digital assets is an area where the IAASB could draw on existing materials and expertise from other standard setters and jurisdictional bodies (e.g., AICPA) to quickly develop new guidance. This approach would enable faster speed to market and promote consistency in practice, contributing to the continued relevance of the international standards. This strategy aligns with IAASB's commitment to maintaining high-quality international standards that address emerging issues in a timely manner.

Piotr Witek (Moore Polska)

5 – Increasing in importance

Shreekant Prasad (Govindham Consultancy Services)

5 – Increasing in importance

08. Sustainability Assurance Providers other Than Accounting Firms

Anum Atique (Islamic Non Banking Financial Institution)

5 – Increasing in importance

Security Risks registration and the management of liabilities are major concern before we do the repayments rescheduling

10. Member Bodies or Other Professional Accountancy Organizations

Chartered Accountants Australia and New Zealand (CAANZ)

5 – Increasing in importance

Increasing use of digital assets does present challenges for both auditors and PAPs in non-assurance roles. It is important for accounting standards and guidance to appropriately address these assets to provide a consistent framework for preparers and auditors. Regulation also has a role to play in ensuring that digital assets can meet the recognition criteria of the accounting standards.

For the IAASB: as with emerging technologies there is a need to assess where there is need for amendments to principle-based standards versus the use of guidance to assist auditors in a more timely and agile manner. Unless evidence supports the need to amend a principle in the standards, then guidance will likely provide the most timely support.

For the IESBA: All PAPs need to understand the ethical implications of digital assets. However, unless there is evidence that a principle of the Code is not adequate, then other responses such as guidance will be necessary to provide timely support.

Consejo General de Economistas de España

5 – Increasing in importance

IAASB :

Digital assets, tokens, and crypto assets can generate public interest implications, even though the entity is not formally an EIP. IAASB should consider guidance on existence, rights, custody, private keys, valuation, fraud, related parties, disclosure, and audit evidence in transactions with digital assets.

Institute of Public Accountants (IPA)

Refer to IPA's response to A.1

5 – Increasing in importance

Malta Institute of Accountants (MIA Malta)

Given the evolving nature of contemporary business models, which are now being shaped by AI driven decision making, third party digital systems, and heightened geopolitical pressures, ethical dilemmas arise more frequently and with greater complexity.

To support practitioners in such dynamic settings, standard setters should develop practical implementation tools, including technology specific case studies, dilemma based guidance, plain language decision aids, and sector tailored materials (for example targeted at SMEs and multidisciplinary teams). These tools can strengthen professional judgment under pressure and help practitioners apply principles consistently across disparate digital ecosystems.

Matters specific to the IAASB

As companies increasingly engage with crypto assets, there is a need for more active stakeholder outreach and clearer, more targeted guidance from the IAASB to address emerging risks and support consistent audit practices worldwide. This includes clarifying the circumstances in which substantive procedures alone may provide sufficient appropriate audit evidence, as well as promoting more consistent consideration of when it is necessary to obtain evidence about the operating effectiveness of controls. Closer collaboration with professional organisations, regulators, and other stakeholders can help crystallise auditors' responsibilities in relation to digital assets and thereby enhance overall audit quality.

Matters specific to the IESBA

The IESBA should review whether its Code adequately addresses new forms of asset ownership, including cryptocurrency holdings and tokenised assets held by firm personnel or their immediate families. The Code

should provide explicit guidance on how to assess threats to independence, objectivity, and confidentiality, particularly where such assets are transacted through third party platforms or custodians.

5 – Increasing in importance

Pan African Federation of Accountants (PAFA)

5 – Increasing in importance

From an African perspective, the rapid growth and institutionalisation of digital assets (including cryptocurrencies and tokenised assets) presents both opportunity and significant assurance and ethics challenges, particularly in emerging markets where regulatory and technical capacity is still evolving. The IAASB and IESBA should prioritise clear, practical, and globally consistent guidance on the recognition, valuation, audit,

and assurance of digital assets, including blockchain-based systems and custody arrangements. For many African jurisdictions, the lack of established accounting and valuation infrastructure increases reliance on professional judgment, making robust guidance and illustrative implementation materials essential.

For IAASB, there is a need to support auditors with practical methodologies for auditing blockchain transactions, verifying ownership, and addressing valuation volatility and audit evidence challenges. For IESBA, key ethical considerations include independence risks, competence requirements, and safeguarding objectivity in highly complex and rapidly evolving digital asset environments.

Across both boards, there is also a need to address uneven institutional readiness, ensuring that standards are scalable and implementable in jurisdictions where digital asset regulation and expertise are still developing. Engagement with African regulators, PAOs, and fintech ecosystems will be critical to ensure relevance and consistent adoption.

Pavel Dimitrov (Union of Accountants in Bulgaria)

5 – Increasing in importance

Digital assets and their institutionalization represent a highly important area for the future of financial reporting, assurance, and ethical conduct. While not the single highest priority, they require strong global guidance to ensure consistency, transparency, and public trust. A rating of 5 reflects their significant impact on regulatory frameworks, audit methodologies, data integrity, and the evolving responsibilities of professional accountants.

South African Institute of Chartered Accountants (SAICA)

5 – Increasing in importance

A critical consideration of IAASB and IESBA will be whether standards continue to serve the public interest in a digital economy. The challenge to be addressed is to ensure assurance standards remain credible and effective as evidence, systems, and risks digitalize as well safeguarding ethical behavior, independence, and accountability as technology reshapes incentives, roles, and judgments. The SSBs should focus on guidance that reinforces professional judgment, skepticism, accountability, and ethical responsibility when technology is used. Addressing this trend proactively and coherently will be essential to maintaining trust in audit, assurance, and the profession during the next strategy period.

SAICA is of the view that jurisdictions are at markedly different levels of maturity with respect to the use, regulation, and prevalence of digital assets. While some jurisdictions have advanced frameworks and more widespread adoption, others—such as South Africa—remain at an earlier stage, where regulatory developments are still evolving and the use of digital assets is not yet pervasive. These differing levels of maturity should be carefully considered in the standard setting process to ensure global applicability and proportionality.

Furthermore, it is imperative that the Boards work closely with financial reporting standard setters in this area, as it is ultimately the recognition, measurement, and disclosure requirements in financial reporting that will drive the nature and scope of assurance. In this context, the Boards should critically assess the extent of global usage and relevance to determine whether digital assets warrant prioritisation within their work programmes, balancing emerging risks against broader and more pervasive areas of impact on audit and assurance.

Entities that make use of digital assets are, more often than not, likely to rely on service organisations and specialists, given the technical complexity and evolving nature of these arrangements. In such circumstances, targeted guidance from the standard setting Boards may be necessary to support consistent and effective application of existing standards. In particular, standards such as ISA 402, Audit Considerations Relating to an Entity Using a Service Organisation, ISAE 3402, Assurance Reports on Controls at a Service Organisation, and ISA 620, Using the Work of an Auditor's Expert, provide an appropriate foundation but may benefit from non authoritative guidance that addresses specific considerations arising when digital assets are utilised. Such guidance would assist auditors in exercising professional judgment when evaluating the nature and extent of reliance on service organisations and experts, without necessitating changes to the underlying standards themselves.

We recommend that both SSBs should consider issuing practical and easy to understand guidance to help practitioners navigate these questions consistently and confidently, before market practice diverges further.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

5 – Increasing in importance

Kenichi Akiba (Waseda University)

5 – Increasing in importance

Nicole Ratzinger-Sakel (University of Hamburg Business School)

5 – Increasing in importance

12. Others

AIDS Committee of Toronto

As a profession, we have to keep up with these changes ... whether we like them or not. However, they should only be implemented if they can be relied on.

5 – Increasing in importance

Cristian Emmanuel Munarriz

5 – Increasing in importance

More guidance about the impact of the use of digital assets, including cryptocurrencies, in audit is needed

Kazuhiro Yoshii (Securities Firm)

5 – Increasing in importance

Louise Willdridge (LBW Global)

5 – Increasing in importance

Wai Man (Emily) Ho

5 – Increasing in importance

Wenzel Reyes (MindBridge)

5 – Increasing in importance

04.05. 6 – Strongly increasing in importance

02. Users of Financial or Non-Financial Information

Koei Otaki (SMBC Nikko securities Inc)

6 – Strongly increasing in importance

The European Federation of Investors and Financial Services Users (BETTER FINANCE)

6 – Strongly increasing in importance

The primary concern should not be technological innovation alone, but whether standards adequately address valuation uncertainty, governance risks, transparency and investor protection concerns associated with these markets. The SSBs should monitor developments closely and engage with financial market stakeholders as markets mature.

03. Preparers or Issuers of Financial Statements or Other Information

Ascendia EOOD

6 – Strongly increasing in importance

05. Regulators and Oversight Authorities

Botswana Accountancy Oversight Authority (BAOA)

Monitoring IASB projects on digital asset accounting to ensure IAASB guidance remains aligned with emerging financial reporting standards.

6 – Strongly increasing in importance

Hellenic Accounting and Auditing Standards Oversight Board (HAASOB)

– Strongly increasing in importance

Given the growing use of emerging technologies such as blockchain, digital assets, including cryptocurrencies, cyber securities and Agentic AI will require new governance structures, clearer auditor accountability and professional judgement. Transparency with audit committees about technology's role is essential.

UK Financial Reporting Council (UK FRC)

6 – Strongly increasing in importance

IAPN 1000, Special Considerations in Auditing Financial Instruments, needs updating, including to address digital financial instruments.

06. Jurisdictional and National Standards Setters (JSS)

Hong Kong Institute of Certified Public Accountants (HKICPA)

6 – Strongly increasing in importance

Hong Kong has positioned itself as a leading hub for digital assets. A comprehensive regulatory regime is taking shape—the city introduced a licensing framework for virtual asset trading platforms in June 2023, and in late 2025 proposed establishing licensing regimes for virtual asset dealing and custodian service providers. The government has enacted a new Stablecoins Ordinance effective August 2025 to regulate stablecoin issuers. Recently, the HKICPA issued an exposure draft of Proposed Practice Note 831, Reporting on Reserve Assets of Licensed Stablecoin Issuers under the Stablecoins Ordinance, for public comment, which ended in early April 2026. The practice note will be finalised in due course, subject to feedback analysis and completion of due process.

The IAASB should monitor these developments and consider whether targeted, non-authoritative guidance—supported by illustrative examples—would help clarify auditors' responsibilities and support consistent risk assessment and audit evidence gathering in different circumstances, drawing on existing standards where possible, particularly where digital assets are held or transacted through complex platforms or service providers. From a practical implementation angle, regulators and standard setters could monitor recurring challenges in audits of digital assets and other assurance engagement relating to digital assets and provide timely support (e.g. Q&As, webinars and illustrative examples), particularly for non-Big4 firms serving SMEs and mid-market entities.

From an ethics and independence perspective, the IESBA should assess whether existing Code provisions adequately address emerging issues associated with digital assets, including financial interests in new asset classes, potential conflicts arising from advisory or technology-related services, and heightened risks of fraud or money laundering. Any response should, where feasible, leverage the current principles-based framework, supplemented by implementation support where gaps are identified, rather than introducing technology-specific requirements.

07. Accounting Firms

AFCA Desarrollos Profesionales

6 – Strongly increasing in importance

Las Criptomonedas se posicionan en todos los aspectos del comercio global. Ya es un mecanismo de comercio aceptado, pero con riesgos altos.

Gats-Ratings Professionals

6 – Strongly increasing in importance

Jack Schoeman (PWC)

The main issue here is that old audit rules for checking assets do not work for digital holdings like crypto. The SSBs' current standards still look for paper trails or bank letters which do not exist on a blockchain. We do not need more layers of regulation that just make things complicated. Instead the boards should update existing rules to specifically explain how an auditor verifies digital ownership and value in real time. This is the only way to close the gap between what the public expects and what auditors actually do. It ensures the profession stays useful as these assets go mainstream in the world today.

6 – Strongly increasing in importance

José María Hinojal (BNFIX)

6 – Strongly increasing in importance

Krzysztof Burnos

6 – Strongly increasing in importance

PricewaterhouseCoopers International Limited (PWC)

6 – Strongly increasing in importance

Our approach to assessing importance

We assessed this trend as strongly increasing in importance as, in our view, many of the considerations relating to digital assets closely parallel those associated with emerging technologies more broadly, as outlined in trend A.1.

Matters specific to the IAASB

Given the growing participation of companies in the crypto-asset space, together with increased user and regulatory scrutiny, we believe further stakeholder outreach would be valuable to assess whether any issues warrant action. In particular, non-authoritative guidance may help address risks associated with digital assets and promote consistent application, accountability and execution in audits. Similar to our feedback in response to trend A.1, there may be opportunities to leverage resources developed by JSS and other professional organisations (e.g., the AICPA's Assurance Services Executive Committee's Digital Assets Practice Aid) or to collaborate jointly on such matters. Greater clarity around auditors' responsibilities would support the public interest and help mitigate any expectation and performance gaps.

The IAASB could also work with relevant stakeholders, such as IOSCO and IFIAR, to help clarify expectations for entity internal controls and how these should be considered in both audits of publicly traded and non-publicly traded entities. The auditor's risk assessment will drive judgements about the nature and extent of evidence that is necessary to respond to the assessed risks of material misstatement. Establishing a consistent framework to support auditor judgements about how best to obtain sufficient appropriate audit evidence—tailored to the entity's facts and circumstances—would support audit quality and enhance stakeholder understanding of what is expected of auditors. This includes clarifying how risks related to digital assets affect the auditor's determination about whether substantive procedures alone can provide sufficient appropriate audit evidence and promote more consistent consideration as to when it is likely necessary to obtain evidence about the operating effectiveness of controls.

Matters specific to the IESBA

As digital assets become more widely held by institutions and individuals, the IESBA should consider whether the current provisions in the Code relating to financial interests are sufficiently clear to address newer forms of asset ownership, such as cryptocurrency or tokenised holdings by firm personnel or their immediate families. In addition, the IESBA should consider whether digital assets may give rise to conflicts of interest or create sensitive situations not fully contemplated by existing provisions, particularly where a professional accountant, their firm, or their close associates hold interests in digital assets that are also held, issued, or traded by an audit or assurance client.

08. Sustainability Assurance Providers other Than Accounting Firms

Keung Ho Keung Ricky

6 – Strongly increasing in importance

09. Public Sector Organizations

Audit Board of Republic Indonesia

6 – Strongly increasing in importance

This will impact the investment cost at the early adoption but it will reduce as time flies by

10. Member Bodies or Other Professional Accountancy Organizations

Asociación Interamericana de Contabilidad (AIC)

6 – Strongly increasing in importance

Muy relevante considerar, que este tipo de activos digitales, si bien son un medio de cambio global, debe evaluarse su incidencia en la prevención del lavado de activos

Institute of Singapore Chartered Accountants (ISCA)

This is an area subject to heightened regulatory scrutiny and an increasing number of inspection findings.

6 – Strongly increasing in importance

Malaysian Institute of Accountants (MIA Malaysia)

6 – Strongly increasing in importance

Our approach to assessing importance

The challenges and opportunities presented by digital assets are comparable to those we have already detailed for emerging technologies under our response to A.1. For this reason, we have assessed this trend as strongly increasing in importance.

Matters specific to the IAASB

As corporate activity in the crypto-asset space continues to grow, and with users and regulators paying closer attention, this makes it an opportune time for the IAASB to engage with stakeholders and assess whether a formal response is warranted. A practical first step could be to develop non-authoritative guidance aimed at addressing the risks inherent in digital assets and promoting a more consistent approach to the application, accountability, and execution of related audits. As noted in our response to trend A.1, this could be done efficiently by tapping on the work of Jurisdictional Standard Setters (JSS) and other professional bodies (such as the AICPA Assurance Services Executive Committee's Digital Assets Practice Aid) or collaborating with them on new resources. Ultimately, enhancing clarity around auditor responsibilities in this domain would serve the public interest and help to narrow both expectation and performance gaps.

Given the evolving regulatory landscape surrounding digital assets, greater consistency in audit approaches would also assist regulators and oversight bodies in enhancing comparability, transparency and confidence in financial reporting involving digital assets.

Furthermore, the IAASB could work alongside key stakeholders like IOSCO and IFIAR to provide greater clarity on what is expected of entity-level internal controls over digital assets, and how these should be considered in the audits of both publicly traded and non-publicly traded entities.

To promote audit quality and help stakeholders better understand the auditor's role, a consistent framework is needed to support judgments about the nature and extent of evidence required. When applied to the audit of digital assets, this framework should offer clarity on how the digital-asset-related risks affect the auditor's determination of audit procedures — specifically, determining when a substantive-only approach is sufficient versus when the nature of the risks necessitates testing the operating effectiveness of controls.

The IAASB should also continue considering scalability and proportionality in this area, particularly as SMPs and firms operating in emerging economies may face resource, expertise and technological constraints in auditing entities dealing with digital assets. Practical implementation guidance may therefore be important to facilitate consistent and high-quality application of standards across firms of varying sizes and capabilities.

Matters specific to the IESBA

With the increasing prevalence of digital assets among institutions and individuals, it is imperative for the IESBA to evaluate whether the Code's existing framework for financial interests remains sufficiently clear in addressing newer forms of asset ownership — such as cryptocurrency holdings or tokenised assets held by firm personnel or their immediate families. Moreover, the IESBA should examine whether digital assets give rise to any new conflicts of interest. For instance, a conflict of interest could occur if a professional accountant, their firm, or their close associates hold interests in digital assets that are also integral to an audit client's business, creating situations not explicitly contemplated by the current Code.

The IESBA may also wish to continue monitoring whether additional implementation support or guidance is necessary to assist firms and practitioners in identifying and addressing emerging ethical, independence and confidentiality risks arising from digital asset activities and related technologies.

11. Academics

Kiran Seth (Sunway University)

6 – Strongly increasing in importance

12. Others

Eri Murakami (Wood Design Studio Inc.)

6 – Strongly increasing in importance

If private limited companies—particularly SMEs and micro-sized firms—adopt sustainability accounting as their standard, they can gain a wealth of practical experience in a short period of time. This will enable them to appoint external directors and auditors across national borders, facilitating accurate and secure transactions.

Mahmoud Bilal (Unimar)

6 – Strongly increasing in importance

04.06. Letters providing separate ratings for IAASB or IESBA

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

5 – Increasing in importance

Matters relating to IESBA:

APESB notes that some Australian stakeholders have highlighted that digital assets are becoming increasingly mainstream, raising ethical questions about competence, reliance on experts, and the boundaries of professional practice, particularly when practitioners engage in areas that require specialised technical knowledge.

APESB is of the view that, due to the pace of technological change, guidance and education may be more appropriate tools than new standards in this area. For example, IESBA could consider producing practical guidance to help practitioners apply existing principles in new technological contexts. This approach would allow for greater agility and responsiveness, ensuring that support remains relevant as technologies evolve.

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

IESBA rating: 2

Though this is an important global trend that warrants continued monitoring by IESBA, we do not currently see a need for the board to undertake a standard setting project 2031. We do encourage close coordination between the SSBs, so if one board undertakes a project, the other should remain informed and, where relevant, consider implications.

To minimize the impact this trend has on IESBA's limited resources, the board could explore opportunities to leverage educational material developed by JSSs or other connected stakeholders. For example, the AICPA Professional Ethics Division staff, with input from PEEC, issued Q&As related to blockchain and digital assets.

IAASB rating: 4

Firms in the United States have mixed views about authoritative and nonauthoritative guidance on digital assets. The ASB's recently completed research, which we shared with you at the May 2026 JSS meeting, indicates that smaller firms are not often encountering digital assets in their engagements, and they do not believe that is an area for priority action by the ASB. On the other hand, digital assets are more prominent in audit engagements at larger firms. Some of those firms would prefer the AICPA to maintain the widely used nonauthoritative AICPA Digital Assets Practice Aid and others believe standard setting action is necessary. The IAASB has indicated a desire to "not recreate the wheel" when jurisdictions have developed credible nonauthoritative material. We recommend that IAASB partner with JSSs and public accounting organizations to meet global needs by referencing such materials. This would demonstrate market responsiveness without expending significant financial or human capital to develop IAASB branded nonauthoritative material. Furthermore, developments in the applicable financial reporting frameworks may be necessary before considering future IAASB action.

4 – Slightly increasing in importance

Australian Auditing and Assurance Standards Board (AUASB)

5 – Increasing in importance

The IAASB may consider guidance on considerations when obtaining evidence on the ownership of digital assets and transactions in those assets.

Institut der Wirtschaftsprüfer (IDW)

2 – Decreasing in importance

IAASB

Given the recent indications that the IAASB has expressed in "not recreating the wheel" when jurisdictions have developed credible non-authoritative material on the topic of digital assets, our recommendation is that the IAASB partner with professional accountancy organizations to reference those materials to meet global needs. Such action would demonstrate market responsiveness without expending significant financial or human capital to develop IAASB branded non-authoritative material. Furthermore, developments in the applicable financial reporting frameworks may be necessary before consideration of future IAASB action.

IESBA

Consistent with our response above, we view this as an already-established and significant development that is likely to persist as digital assets continue to move further into mainstream use. However, while continued monitoring by the IESBA is appropriate, we do not currently consider a standard-setting project

necessary through 2031. Accordingly, we are not in a position to predict whether its relative importance to the IESBA will rise or fall over the next strategy period.

In our monitoring of technology developments, we have not, to date, identified circumstances that would indicate the IESBA Code requires amendment specifically to address digital assets, notwithstanding their growing profile. In substance, digital assets function as another form of asset for holding value and enabling exchange between parties. Because the Code already provides an effective framework for addressing ethical issues associated with traditional assets, we consider that in general same framework capable of being applied to digital-asset contexts as well.

We do not see the need for projects in this area, but should the need arise, projects should be undertaken jointly between the two boards to hinder misalignment.

Nordic Federation of Public Accountants (NRF)

2 – Decreasing in importance

We view this primarily as a matter of regional divergence rather than a global issue, and therefore not an area that should be a priority for the international standard setters. Historically, separate standards have not been created for each class of assets, and we see no compelling reason to depart from that approach. In our view, this is an area for regulators to address, as the underlying drivers stem from jurisdiction specific requirements and market developments. Any response — if needed — should therefore primarily be dealt with outside the standards and the Code.

07. Accounting Firms

Ernst & Young Global Limited (EY)

6 – Strongly increasing in importance

Our impact rating for this trend is based on our considerations for the IAASB. With regard to the IESBA, we believe the impact rating would be 4 (Slightly increasing in importance).

The following paragraphs provide further recommendations specific to each Board:

IAASB matters

We agree that the use of blockchain and digital assets is accelerating. As adoption expands, auditors will need to adapt risk assessments, procedures, and evidential expectations accordingly. For audits, the demand for timely NAM (e.g., practice aids similar to the AICPA's Accounting for and auditing of digital assets practice aid (September 2025)) will continue to rise.

We continue to observe a positive multi-year trend in the overall maturity of risk management practices within the digital asset ecosystem. Key developments supporting the audit include the increased availability of SOC 1 Type 2 reports from third party custodians and the advancement of best practices for entities that self-custody digital assets (e.g., multi signature controls, transaction limits, and whitelisting of approved payees).

Targeted regulatory and standard setting initiatives at the jurisdictional level support this maturation, and it will be important for the Boards to understand these developments and determine appropriate responses at the international level. For example, recent developments include initiatives to close gaps in US market supervision (e.g., extending the Commodity Futures Trading Commission's regulatory authority to non-security digital assets), and significant legislative actions such as the 2025 GENIUS Act. In parallel, US standard setters are advancing guidance through publications like the AICPA's practice aid (September 2025) and the FASB's addition of digital assets to its research agenda (August 2025).

As demand for assurance engagements related to digital assets continues to grow, often driven by jurisdictional or regulatory developments, we believe there is value in continued consideration of how

existing assurance standards can be applied consistently to these engagements, supported by timely NAM where appropriate. NAM could, for example, include typical control objectives that can be reported on in a SOC report or a report under ISAE 3000 or ISAE 3402. Referencing existing criteria or frameworks developed by jurisdictional standard setters may be informative in this regard, particularly where such frameworks are being used to meet specific regulatory requirements.

IESBA matters

As noted in our response to question A.1, we believe that the fundamental principles in the IESBA Code are already robust and sufficiently comprehensive to address ethical considerations related to digital assets. However, IESBA could enhance clarity and practical application by using NAM to illustrate how the IESBA Code applies in specific digital asset-related scenarios. This approach would also enable the Board to address emerging issues in a more agile and timely manner.

KPMG International Limited

IAASB – 5 Increasing in importance, IESBA – 4 Slightly increasing in importance

In respect of the trend "Digital Assets and Institutionalization of Digital Assets", we believe that the institutionalization of digital assets, using holistic financial ecosystem-based infrastructure, such as decentralized platforms and distributed ledgers (e.g. blockchain), is likely to give rise to implications that will become increasingly important as a driver, in particular, of IAASB activities over the survey period. However, we consider that the increased use of digital assets themselves is expected to be of only slightly increasing importance over the survey period in terms of shaping the IAASB's and IESBA's strategic planning, as we believe that the ISAs and the IESBA Code currently address relevant considerations.

IAASB

The use of such infrastructure for digital asset transactions can be highly secure in respect of major established blockchain networks, with systems/platforms being distributed, interconnected and widely trusted in the market. Furthermore, such infrastructure provides a robust audit trail, with enhanced transparency regarding transactions, and immutable records, as compared to individual entity-based systems involving mainly bilateral transactions, and for which the audit trail may be paper based.

However, despite systems/platforms, in particular, the major, distributed networks, becoming increasingly secure over time, and generally being capable of providing highly persuasive and reliable audit evidence, expectations appear to be emerging that in addition to understanding the underlying system architecture in order to evaluate the reliability of the information it produces, the auditor is also expected to test it, i.e. how output is generated. These expectations appear to remain anchored to current approaches to obtaining audit evidence over transactions executed within single entity systems, in which auditors may test controls in respect of risks of material misstatement at the assertion level, and perform substantive procedures to vouch transactions to individual records.

We contrast this, in respect of the larger and established decentralized networks, with approaches taken today in respect of obtaining audit evidence generated by certain systems outside the control of the entity subject to audit, where such systems are widely accepted within the market, including by regulators. For example, when performing audit procedures regarding the reliability of audit evidence in the form of external confirmations from banks, or records of transactions processed by global messaging networks such as SWIFT, the auditor may consider the credibility of such information to be a significant attribute, and may, in evaluating this, consider that it is supported by the strong reputation of the bank or network, that the bank is regulated, and that the system is perceived in the market as secure and highly trusted on a global basis, rather than by directly testing the internal architecture of the bank's or messaging network's system.

We consider that the ISAs, in general, are fit for purpose at a principles level in terms of auditing transactions executed within such infrastructure, in particular, considering the proposed revisions to ISA 500R. Accordingly, we do not believe that changes to the standards themselves to introduce prescriptive requirements in this area are necessary at this time. Instead, we recommend that the IAASB develop non-authoritative guidance to address emerging trends and practical considerations in this area. This guidance would be more timely, targeted and enable discussion of issues and challenges in greater depth, while still

having clear linkages to relevant principles and requirements in the standards. Such guidance may address the following matters:

- When entities transact using digital infrastructure, the concept of agreeing transaction records to other physical evidence, to vouch regarding their accuracy, or even to agree these to an expectation, is of reduced relevance as there is no non-electronic support. Instead, guidance may focus on the auditor considerations in respect of evidence generated within a holistic ecosystem, whether this is well established and widely decentralized, as this may itself significantly reduce audit risk.
- Audit procedures should be directed to obtaining an understanding of the structure of the network, including whether this is well established, widely decentralized, with high validator/miner participation, and evaluating an entity's system of internal control, in particular, controls related to governance in respect of such infrastructure, as well as considerations such as how access is managed, how risks of external cyber-attacks are reduced, and how ownership and control of digital assets is determined (see A3). Such guidance may discuss obtaining audit evidence regarding initiation and authorisation of blockchain transactions using the entity's private key, using cryptographic and on-chain evidence, e.g. by performing a micro-transaction test or by obtaining the digital signature in relation to a specific message.
- When evaluating information intended to be used as audit evidence that has been processed using these systems/platforms, the auditor's understanding of the related market consensus mechanisms and security permissions/access protocols may be sufficient to consider the information credible and/or authentic, and therefore reliable for use as audit evidence.

We recommend that the IAASB lead discussions exploring this area in more detail, convene working groups comprising affected entities/industry sectors, regulators and the profession, to consider the evolving role of the auditor in relation to use by entities of such infrastructure (see B1).

In addition to the above, we discuss, at A3, that the primary risks entities face in respect of fraud (both fraudulent financial reporting and misappropriation of assets) and financial crime are mutating as a result of the institutionalization of digital assets.

IESBA

From the IESBA perspective, digital assets remain relevant but are of lower importance than broader AI-driven developments affecting audit and assurance. While this trend should continue to be monitored, existing principles based standards are largely fit for purpose in this area, with the exception that they do not sufficiently recognize the relevance of materiality or de minimis situations.

Personal independence considerations associated with investments in digital assets such as cryptocurrencies, tokenized real world assets, non-fungible tokens (NFTs), and digital securities, can introduce additional complexity. For example,

- Digital platforms, as an inducement, can reward individuals with airdrops and unsolicited transfers of free tokens or coins, placed in their digital wallets as a gift without the owner taking any action or even being aware of the token's existence. Some of these gifts can give rise to an individual inadvertently holding a prohibited financial instrument.
- Fractional ownership of digital assets may also not always be known or visible to the owner. For example, blockchains often leave tiny residual balances after transactions because of fees, rounding, or minimum unit sizes. These amounts can be fractions of a cent. Digital wallet user interfaces may hide very small balances and wallets can hold thousands of different tokens, including those the owner never actively acquired or interacted with. As a result, an individual may technically own a fractional crypto interest without realizing it. Furthermore, the independence rules do not account for the circumstances where such a financial interest is de minimis.

Trading activity today also encompasses evolving instruments such as prediction market contracts, which raise both personal independence and insider trading considerations, particularly where these prediction markets involve contracts linked to corporate outcomes.

As mentioned earlier, rather than introducing new or more prescriptive requirements through standard-setting, the IESBA should consider developing timely and targeted non-authoritative educational and scenario-based materials. These resources could illustrate how existing principles and requirements within the IESBA standards apply to emerging areas, such as digital assets and evolving markets, which may affect an individual's personal independence. 5 – Increasing in importance

09. Public Sector Organizations

United States Government Accountability Office (GOA)

For the IAASB: We do not believe that digital assets require revision to or creation of standards. We believe that practitioners would appreciate guidance on applying existing standards to digital assets. If there is demand by regulators or the public for assurance over an entity's use of digital assets, the IAASB should consider whether to develop new standards or to update existing standards, such as ISAE 3000.

3 – Slightly decreasing in importance

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

2 – Decreasing in importance

From a standard-setting perspective, digital assets do not introduce fundamentally new concepts that would justify the development of specific standards. The main challenges in this area arise at the level of financial reporting (e.g. recognition, measurement and disclosure), and these issues have already been addressed. At present, there does not appear to be anything intrinsically new that would require further action from audit or ethics standard setters.

However, this assessment may need to be revisited if financial reporting requirements were to change significantly in this area. This area needs to remain closely monitored to assess whether future standard setting might be required. More importantly, the relevance and urgency of digital assets vary significantly across jurisdictions. In the United States, this topic is more advanced and has gained greater prominence, both from a market and regulatory perspective. In contrast, in Europe, the environment is already heavily regulated and digital assets are currently less of a priority. This regional divergence makes it difficult to justify a strong global standard-setting response.

We therefore consider that digital assets are primarily a matter for financial reporting standards setters, regulators and market developments, rather than for global assurance and ethics standard setters. Any response, if needed, should focus on non authoritative guidance or knowledge-sharing rather than the creation of new standards.

IAASB rating: 2 Decreasing in importance

IESBA rating: 1 Strongly decreasing in importance

Global Accountancy Alliance (GAA)

3 – Slightly decreasing in importance

IAASB Rating: 3

Given the recent indications that the IAASB has expressed a position of "not recreating the wheel" when jurisdictions have developed credible non-authoritative material on the topic of digital assets, our recommendation is that the IAASB partner with public accounting organizations to reference those materials to meet global needs. Such action would demonstrate market responsiveness without expending significant financial or human capital to develop IAASB branded non-authoritative material. Furthermore, developments in the applicable financial reporting frameworks may be necessary before consideration of future IAASB action.

IESBA Rating: 3

Consistent with our response above, we view this as an already established and significant development that is likely to persist as digital assets continue to move further into mainstream use. However, while continued monitoring by the IESBA is appropriate, we do not currently consider a standard-setting project necessary through 2031. Accordingly, we are not in a position to predict whether its relative importance to the IESBA will rise or fall over the next strategy period. In our monitoring of technology developments, we have not, to date, identified circumstances that would indicate the Code requires amendment specifically to address digital assets, notwithstanding their growing profile. In substance, digital assets function as another form of asset for enabling exchange between parties. Because the Code already provides an effective framework for addressing ethical issues associated with traditional assets, we consider that same framework capable of being applied to digital-asset contexts as well.

To manage the draw on the IESBA's limited capacity, the Board could also look to make greater use of existing educational resources developed by JSSs and other closely aligned stakeholders, such as the GAA.

We note the IAASB presented its technology plan to IESBA during IESBA's March 2026 board meeting. Technology is a key area that has significant overlap in ethics and assurance and the SSBs will need to communicate and collaborate extensively, both to address risks but also to stay within their respective remits.

Institute of Chartered Accountants in England and Wales (ICAEW)

2 – Decreasing in importance

IAASB rating: 2

IESBA rating: 2

The critical issues around digital assets have been how they are adopted by institutions, how they are regulated (in the UK by the FCA), and the financial reporting implications, including recognition and measurement. From an audit perspective, there have been new approaches required to address assertions such as existence, rights to, and valuation, but the ISAs already fundamentally address the audit approach without needing new standards. Any supplementary materials from the SSBs should come in the form of non-authoritative guidance, or be left to national regulators.

Institute of Chartered Accountants of Scotland (ICAS)

3 – Slightly decreasing in importance

IESBA – Rating – 3

The growth of digital assets is already a highly important trend, and this will continue to be the case in the SSBs' forthcoming strategy period with the likelihood that such assets will become more mainstream than has hitherto been the case. That said, as we stated in our response at section A1, we have as yet not identified any need for potential revisions to the IESBA Code of Ethics in relation to digital assets, despite their growing importance. They, like money, are a means of storing wealth, and of facilitating trade between different parties/entities. Given that the Code already effectively deals with ethical issues relating to traditional assets, then we believe it should, and indeed does, appear to be equally effective in dealing with ethical issues involving digital assets, despite the fact that the related ethical threats may be higher.

IAASB – Rating - 3

We believe this may be an area where the IAASB has to consider whether there is a need for non-authoritative material as usage of these assets continues to grow. If the IAASB at some future date does determine that non-authoritative material is necessary, we believe that in the first instance it should look to see where credible non-authoritative material on digital assets already exists at the jurisdictional level rather than use scarce resources to produce its own material from scratch. Such partnerships could allow non-authoritative material to be made available more readily, subject of course to appropriate review of the content concerned.

International Federation of Accountants (IFAC)

While rated as 4, this applies primarily to IAASB, not IESBA.

This trend depends on jurisdictional uptake of digital assets and currencies accounting and reporting. The SSBs should not assume a uniform level of relevance, urgency, or readiness across jurisdictions whilst the maturity of accounting and reporting for digital assets is still developing and not all jurisdictions are on the same path or phase of their respective journeys.

For the IAASB, a key issue will be whether practitioners can obtain sufficient appropriate evidence, with increasing dependence on third-party providers, including blockchain service providers, as affecting the availability, obtainability and credibility of audit evidence.

In addition, audit and assurance considerations should be addressed in coordination with accounting standard setters. As accounting or reporting standards on digital assets are developed, audit and assurance implications should be considered so that the reporting requirements are auditable and the necessary evidence can be obtained.

4 – Slightly increasing in importance

04.07. No rating provided but with comments

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

Digital Assets and Institutionalization of Digital Assets

22. The growing use and institutionalization of digital assets present auditing challenges due to complex technologies and ownership, valuation, rights and obligations considerations. The need for specific guidance should be considered by the IAASB and IESBA as practice evolves.

International Organization of Securities Commissions (IOSCO) Committee

emphasize that any future considerations should be guided by well-defined scopes and objectives, supported by evidence-based needs.

A.2 Digital Assets and Institutionalization of Digital Assets – Moderate Influence

While not rising to the same level of urgency as emerging technologies, we consider digital asset activity to be an important and developing area that warrants timely attention from the IAASB. The use of digital assets is expanding across jurisdictions, and companies are entering into an increasingly diverse range of transactions involving digital assets. These developments introduce unique audit and assurance challenges, such as understanding the reliability of blockchain-based information and evaluating the susceptibility of digital asset environments to fraud and other risks.

Given the rapid pace of market evolution, we encourage the IAASB to undertake targeted information-gathering to better understand the types and prevalence of digital asset activities, the business models and custody arrangements used, and the practical challenges auditors face in applying existing standards in this area. We also encourage the IAASB to engage with standard setters across jurisdictions that have already

undertaken similar information-gathering efforts, so the Boards can learn from, compare, and build on the approaches and insights that have already emerged. Monitoring global developments and coordinating with other auditing standard setters will also help promote consistency across jurisdictions as the digital asset landscape matures. Additionally, as accounting treatment is fundamental to determining the appropriate audit response, we also encourage close coordination with the International Accounting Standards Board (IASB) during this information-gathering process to ensure that the Boards have a clear understanding of emerging practice issues and areas where further clarity may be needed. As the landscape for digital asset activities continues to evolve, we

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

12. In the same vein, digital assets are an increasingly significant area, as their expanding cross-jurisdictional use and the growing variety of related transactions introduce new audit challenges, including the assessment of blockchain-based information and the evaluation of fraud-related risks. Given the rapid developments in this field, the IAASB would benefit from targeted information-gathering on emerging digital-asset activities, business models, and the practical challenges auditors face when applying current standards

10. Member Bodies or Other Professional Accountancy Organizations

CPA Australia

0 – I do not agree that this is a trend to be considered

A.2 Digital assets and institutionalisation:

Monitor developments and coordinate with financial reporting standard setters, avoid bespoke global standards unless the underlying accounting and market practices stabilise and a clear, globally relevant assurance gap emerges. For the IAASB, focus on application guidance for obtaining sufficient appropriate evidence (existence, rights/obligations, valuation) and reliance on third-party service providers. For the IESBA, emphasise that existing independence and ethics principles apply, respond via clarification materials only if specific recurring application issues are evidenced.

04.08. No specific response

02. Users of Financial or Non-Financial Information

First Nations Financial Management Board

Sarasin & Partners

03. Preparers or Issuers of Financial Statements or Other Information

Japan Business Federation – Keidanren

05. Regulators and Oversight Authorities

Canadian Public Accountability Board (CPAB)

Irish Auditing & Accounting Supervisory Authority (IAASA)

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor