



# IFRS Implementation

## Challenges and Future Directions

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### IASC Foundation

The views expressed in this presentation are those of the presenter, not necessarily those of the IASC Foundation or the IASB



- Global Convergence
- Structure of IFRS Foundation and outreach
- Challenges for the Profession
- IASB/IASCF implementation activities
- Concluding remarks



# The Vision

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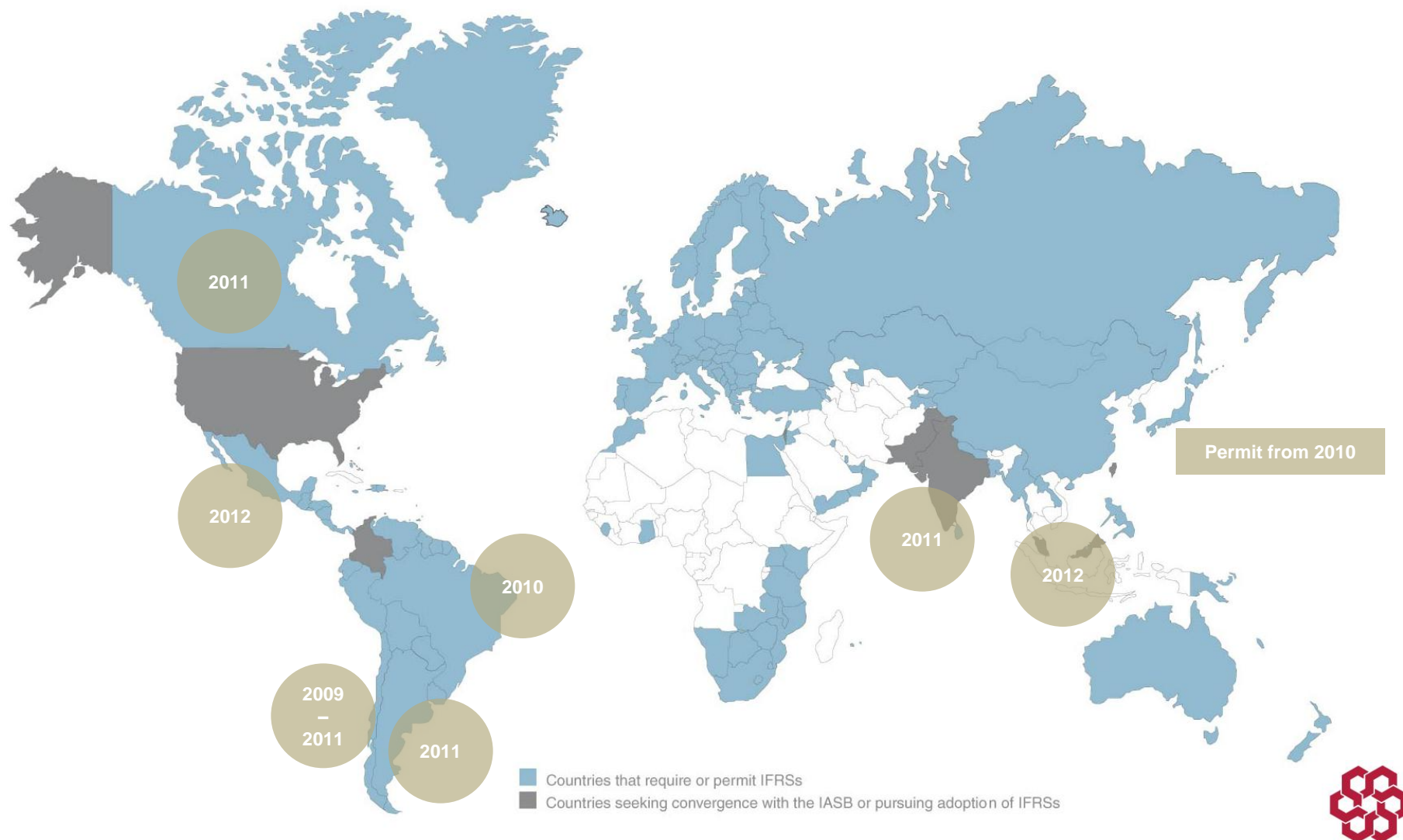
*...one single set of high  
quality global standards..*

*..used on the global  
capital markets.*



# Convergence 'Map'

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Source of information (adapted from): [www.iasplus.com](http://www.iasplus.com)



# Benefits of global standards

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- **Efficient allocation of capital**
- **Reducing costs and increasing efficiency**



# Global convergence should give:

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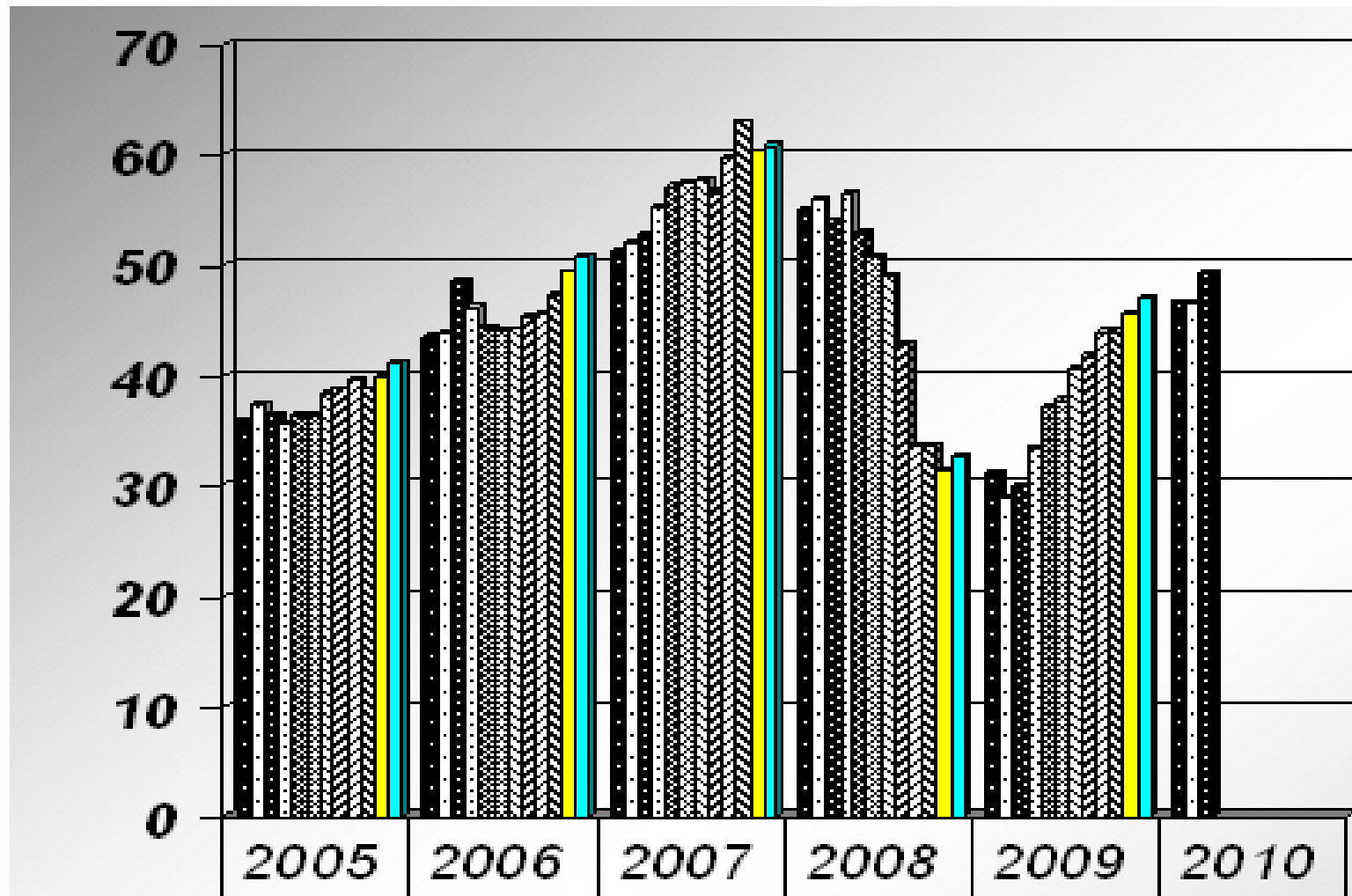
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- **high quality and globally consistent reporting**
- **transparent and comparable information**
- **to investors and other users of financial information**
- **improvements in reporting**



# The world's stock markets

(US\$ trillion)



# Strong support for global convergence

- **G20 Leaders (Sept 2009):**

*“.... international accounting bodies to redouble their efforts to achieve a single set of high quality, global accounting standards ... and complete their convergence project by June 2011”*

- **G20 Finance Ministers and Central Bank Governors (23 April 2010):**

*“..... we stress the importance of achieving a single set of high quality, global accounting standards”*





# How to achieve the goal?

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- Independent standard-setting
- A thorough, open and transparent due process
- Engage investors, regulators, business leaders and the profession
- Collaborative efforts with the worldwide standard setting community



# Future?

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2010	IFRS in over 110 countries and US convergence programme
Near future	IFRSs in +150 countries and US convergence programme
Vision	A single set of high quality global accounting standards used globally



# IASB structure

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International  
Monitoring  
Board

International Accounting Standards  
Committee Foundation Trustees

Standards  
Advisory  
Council

Working  
Groups

International  
Accounting Standards  
Board

IFRIC

Staff: technical 50 + admin 30

Education

XBRL

Publications

Operations



**International  
Monitoring  
Board:  
5 members**

# IASB structure

International Financial Reporting Standards  
Foundation: 22 Trustees

Standards  
Advisory  
Council

Working  
Groups

**International  
Accounting Standards  
Board : 15 members**

IFRIC

Staff: technical 50 + admin 30

Education

XBRL

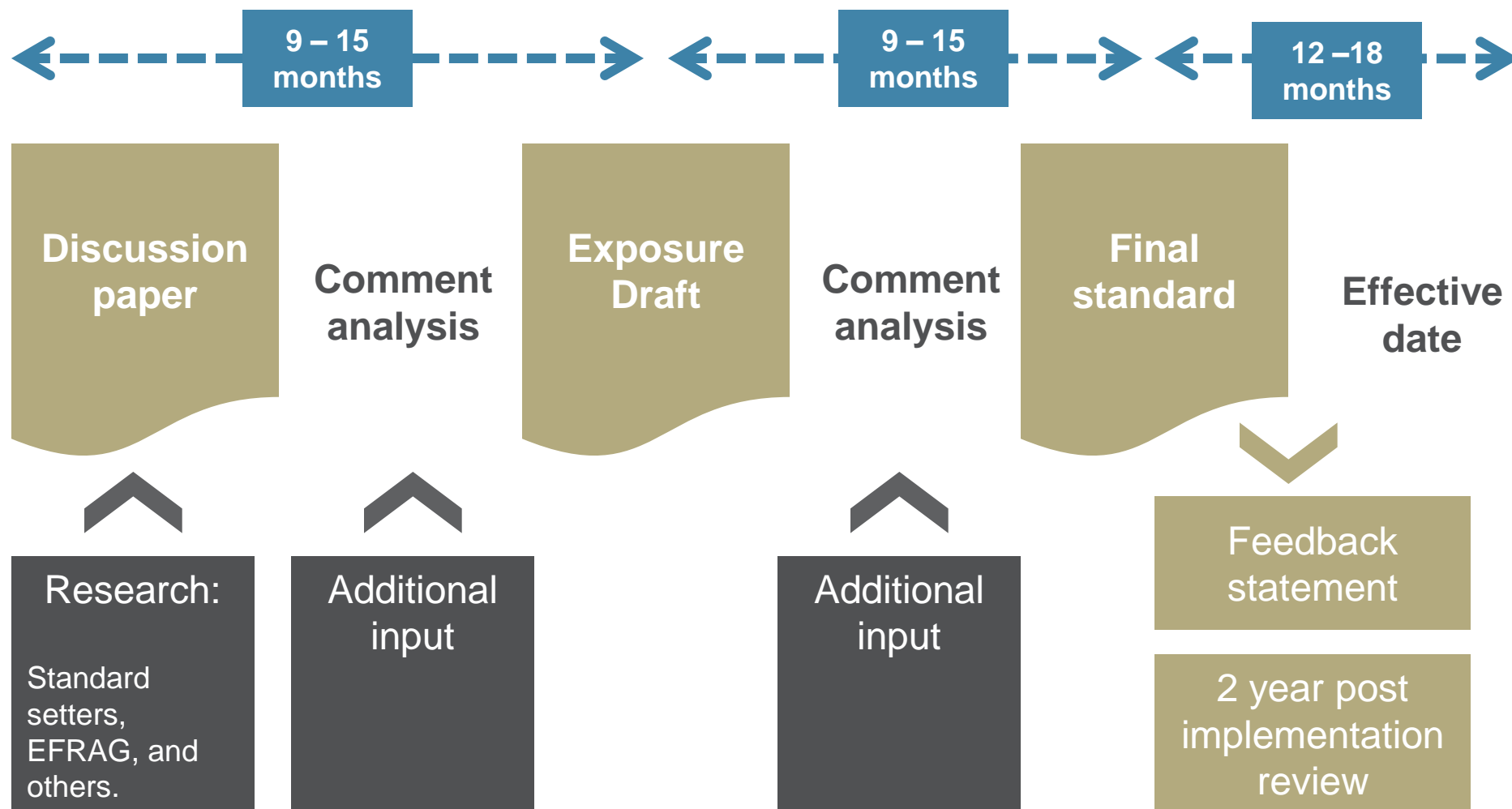
Publications

Operations



# Consultation process

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# Outreach – in focus for all projects!

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- Industry and company meetings
- Analysts meetings
- Webcastings
- Board meetings on internet
- Round tables
- Country visits
  
- *Local language webcasting?*



# The Agenda

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- Conceptual framework
- Revenue recognition
- Financial Statement Presentation
- Liabilities
- Insurance
- Fair value measurement
- Common control
- Emission rights trading
- Leasing
- Pensions
- Consolidations
- Management Commentary
- Financial instruments



- **Improve access to credit**
  - **Improve access to equity**
  - **Education and training**
  - **IT support**
  - **Auditing efficiencies**
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- **Ease burden where full IFRSs is now required**





# Challenges for the profession and IFRS Foundation implementation Activities

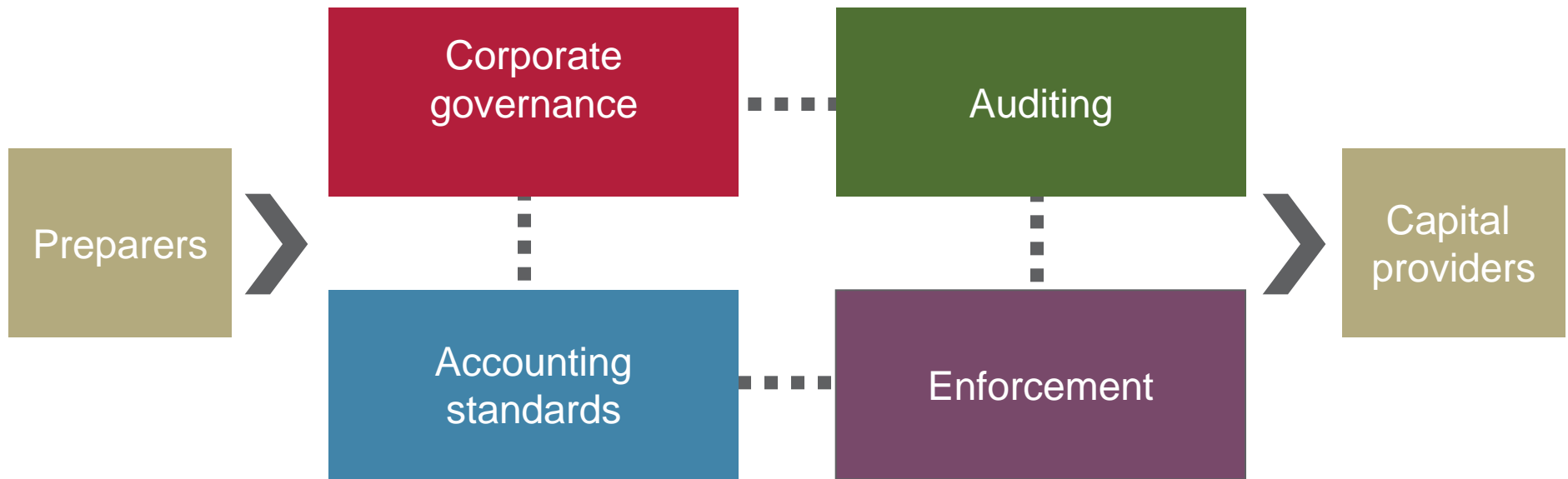
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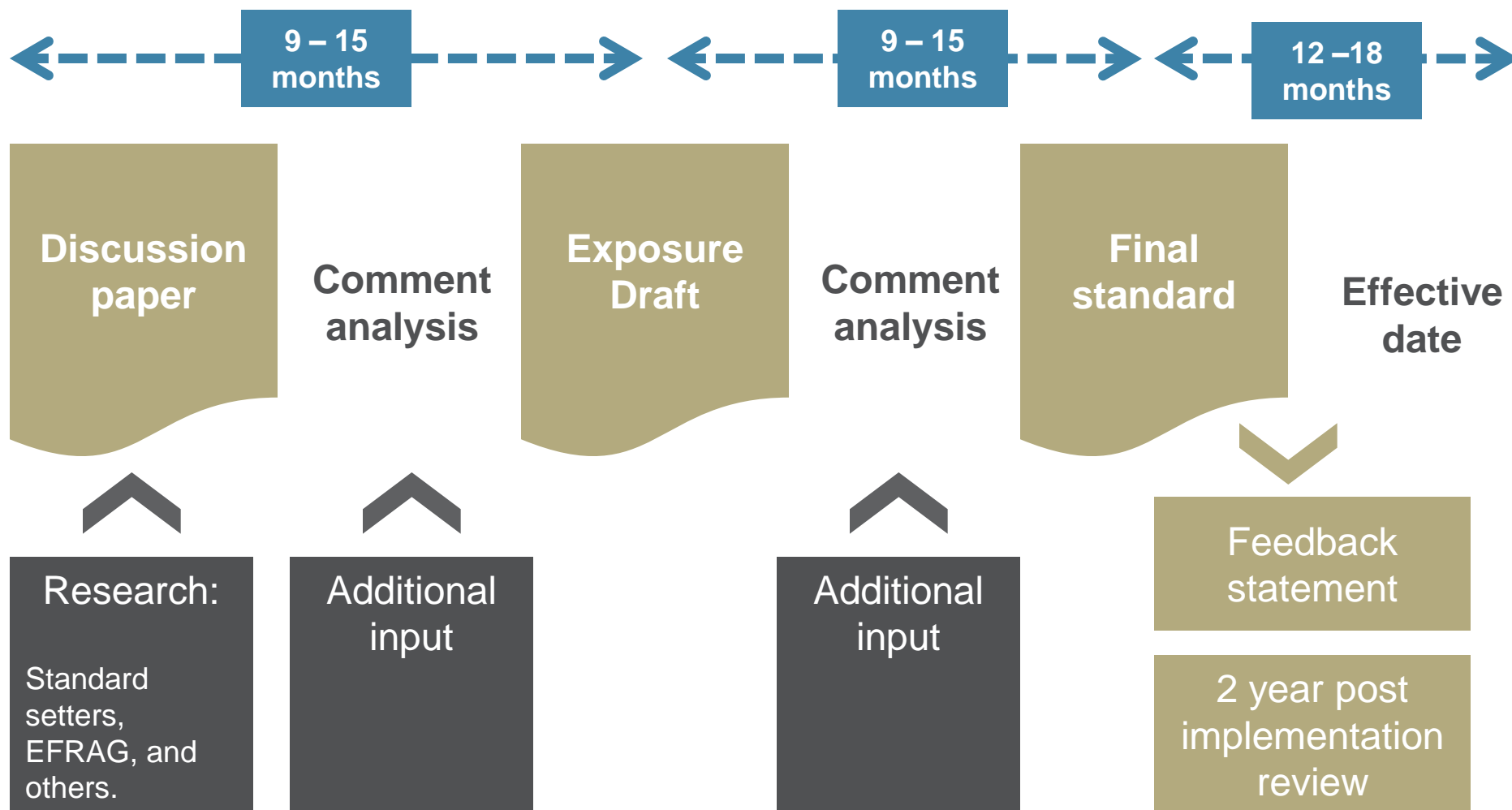
# Where is the Profession?

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# Consultation process

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# Challenges for the profession

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- Independent standard setting
- Improve transparency
- More judgemental
- Higher level of regulatory compliance
- Wider range of skills
- Education and training
- Systems



- Working with adopting countries
- Participating in/liaising with implementation groups
- Annual improvements project
- IFRIC
- SME IG
- Education initiative
- XBRL IFRS taxonomy



# Post 2011

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- How should new standards we implemented?
  - For 1st time adopter
  - For others
  - Drip feeding or Big Bang?
- What should be on the agenda post June 2011?
- A period of stand still! But not forever.
- Consultations will follow.



# Concluding Remarks

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- Strong support for global standards
- Hard work to respond to issues emanating from the financial crisis
- High degree of stakeholder interaction and due process
- Convergence: improved “high quality” standards
- Standard setting needs to be open, thorough, objective and as neutral as possible



# Questions or comments?

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Expressions of individual views by members of the IASB and its staff are encouraged.

The views expressed in this presentation are those of the presenter.

Official positions of the IASB on accounting matters are determined only after extensive due process and deliberation.

