

PRESS RELEASE

13 March 2012

IASB and EFRAG discuss status of ongoing projects and other topics

The International Accounting Standards Board (IASB) and the European Financial Reporting Advisory Group (EFRAG) met on 9 March 2012 to discuss the IASB's ongoing work on the four major open projects and to address a number of other matters. EFRAG is the private sector body responsible for stimulating debate in Europe about the evolution of International Financial Reporting Standards (IFRSs) and for providing input to the work of the IASB, after appropriate due process, on behalf of Europe.

The EFRAG delegation was composed of the EFRAG Chairman (Françoise Flores), the Vice-Chairman of EFRAG TEG (Mike Ashley), the Chairmen of the Accounting Standards Committee of Germany (Liesel Knorr) and the UK Accounting Standards Board (Roger Marshall) and the Vice-Chairman of the Organismo Italiano Contabilità (Alberto Giussani), the Italian standard-setting body, accompanied by their technical directors or a member of their Boards. The Autorité des Normes Comptables, the French standard-setting body, was represented by its technical director.

Led by Hans Hoogervorst, IASB Chairman, and Françoise Flores, EFRAG Chairman, the meeting focused on the four major open projects: Insurance, Leases, Financial Instruments and Revenue Recognition. In addition to general updates, the IASB provided a preliminary assessment of the comments that have been received on the exposure of the revised revenue recognition proposals, while the EFRAG updated the IASB on the results of their field tests on these proposals. The EFRAG also commented on the Leases project, on the IASB's project to make limited improvements to the classification and measurement model in IFRS 9, and discussed its plans to field test the IASB's general hedge accounting Review Draft.

In other matters, the recent ESMA paper on 'materiality' was discussed, as was EFRAG's forthcoming discussion paper on the Disclosure Framework. The IASB and EFRAG also addressed the potential for co-ordination on research projects, the due process for the IASB's forthcoming post-implementation reviews and how user outreach can be co-ordinated.

Hans Hoogervorst, IASB Chairman, commented:

“The IASB’s regular meetings with the EFRAG provide an important opportunity to discuss ongoing projects and other related matters. At this meeting, the EFRAG’s update on feedback received from participants in industry workshops on the revenue recognition proposals was of particular interest. The IASB appreciates the EFRAG’s initiative in arranging these workshops. “

Françoise Flores, EFRAG Chairman, said:

“This first meeting under the leadership of Hans Hoogervorst has been an opportunity for the EFRAG to welcome the direction that Hans Hoogervorst set for the IASB, as indicated in his Mexico speech. We also welcome the positive and direct dialogue encompassing not only Revenue Recognition but also Leases, Financial Instruments and Insurance.”

An audio recording of the meeting is available [here](#).

The EFRAG published a high level summary of the meeting’s discussions on www.efrag.org.

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Press enquiries:

Mark Byatt, Director of Corporate Communications, IFRS Foundation,
Telephone: +44 (0)20 7246 6472, email: mbyatt@ifrs.org

Nathalie Saintmard, Communication Manager, EFRAG
Telephone: +32 (0)2 210 44 07, email: ns@efrag.org

Notes to Editors:***About the IASB***

The IASB was established in 2001 and is the standard-setting body of the IFRS Foundation, an independent, private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality global accounting standards that provide high quality transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international and national bodies around the world. The IASB has 15 full-time members drawn from 11 countries and a variety of professional backgrounds. In 2012 the Board will be expanded to 16 members. Board members are appointed by and accountable to the Trustees of the IFRS Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience. In their work the Trustees are accountable to a Monitoring Board of public capital market authorities.

About EFRAG

EFRAG was set up principally for the purpose of:

- providing proactive advice to the IASB;
- stimulating, co-ordinating and carrying out proactive accounting activities;
- advising the European Commission on the acceptability of IFRSs for endorsement for use in Europe in the consolidated accounts of all listed companies; and
- advising the European Commission on any accounting related topics.