

PRESS RELEASE

24 January 2013

Joint effort needed to tackle disclosure problem

The International Accounting Standards Board (IASB) today released highlights of a survey conducted recently on financial information disclosures, ahead of its public discussion forum on *Disclosures in Financial Reporting*. Respondents to the survey identified various factors that contribute to the disclosure problem.

The IASB received 225 responses from respondents across Africa, Asia, Europe and North America. Around 50 per cent of those responses came from preparers and approximately 20 per cent came from users of financial statements.

Highlights of the survey include:

- over 80 per cent of respondents agreed that improvements could be made to the way financial information is disclosed. Half of those respondents felt that such improvements were required across all parts of the annual report, and not just the financial statements;
- most preparers of financial statements identified the primary problem as disclosure requirements being too extensive with not enough being done to exclude immaterial information—which has been referred to as disclosure overload;
- many users of financial statements felt that preparers could do more to improve the communication of relevant information within the financial statements, rather than leaving users to sift through large amounts of data; and
- a range of views on the underlying causes of the problem was identified. Some respondents felt that more could be done to improve the way in which accounting standards are set out. Others expressed concerns that preparers, auditors and regulators are approaching financial reporting as an exercise in compliance rather than as a means of communication.

Commenting on the results of the survey, Hans Hoogervorst, Chairman of the IASB said:

We very much appreciate the detailed and high quality feedback provided by respondents to this survey. That feedback indicated a need for standard-setters, auditors, preparers, regulators and investors to work together in order to deliver much-needed improvements to all disclosures, not just those contained within the financial statements. Our discussion forum on disclosures next week is the first step on that journey.”

The IASB Disclosure Forum will take place in London on 28 January 2013. The event is open to the public and will also be webcast. A recording of the event will be posted to the IASB website the following day. Further details on the event are available from [here](#).

The full results of the online survey will be published as part of a Feedback Statement, to be published during the first quarter of 2013. The Feedback Statement will also summarise feedback received from the Disclosure Forum and how the IASB intends to respond to that feedback.

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About the International Accounting Standards Board

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. 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 authorities.