

PRESS RELEASE

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IASB and FASB report substantial progress towards completion of convergence programme

The International Accounting Standards Board (IASB) and the US-based Financial Accounting Standards Board (FASB) today published a progress report on their joint work to improve International Financial Reporting Standards (IFRSs) and US generally accepted accounting practices, and to bring about their convergence.

Since their report last November, the boards have;

- **Completed five projects:** In the next few weeks the IASB will issue new standards on consolidated financial statements (including disclosure of interests in other entities), joint arrangements and post-employment benefits and both boards will issue new requirements in relation to fair value measurement and the presentation of other comprehensive income.
- **Given priority to the three remaining MoU projects, as well as insurance accounting:** The Boards have made substantial progress towards completion of the three remaining MoU projects covering financial instruments accounting, leasing and revenue recognition, as well as their joint project to improve and align US and international insurance accounting standards.
- **Provided for further time to finalise their convergence work:** The boards have agreed to extend the timetable for the remaining priority convergence projects beyond June 2011 to permit further work and consultation with stakeholders in a manner consistent with an open and inclusive due process. The convergence projects are targeted for completion in the second half of 2011 (however, the U.S. insurance standard, which has not yet been exposed, is targeted for the first half of 2012).

The progress report provides further details on the timeline for the completion of the remaining projects, and is available to download from the IASB and FASB websites.

Commenting on the progress report, Sir David Tweedie, Chairman of the IASB said:

Today we are reporting further substantial progress on our work to improve and align international and US accounting standards, while providing additional time to finalise the remaining convergence projects.

The convergence programme continues to raise the standard of financial reporting worldwide, delivering much-needed improvements in key areas and providing a solid platform for global high quality standards.

Leslie F. Seidman, Chairman of the FASB, said:

The progress report highlights the many areas where we have already improved and converged our standards, and our plans for completion of the priority projects. We have also clarified our plan to continue to engage stakeholders in the remaining steps of the process, and give them an opportunity to review the draft standards before they are finalized.

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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 currently has 15 full-time members drawn from 11 countries and a variety of professional backgrounds. By 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 authorities.

About the FASB

Since 1973, the Financial Accounting Standards Board has been the designated organization in the private sector for establishing standards of financial accounting and reporting. Those standards govern the preparation of financial reports and are officially recognized as authoritative by the Securities and Exchange Commission and the American Institute of Certified Public Accountants. Such standards are essential to the efficient functioning of the economy because investors, creditors, auditors, and others rely on credible, transparent, and comparable financial information. For more information about the FASB, visit our website at www.fasb.org.