

## PRESS RELEASE

27 April 2011

### **Joint Statement by the Monitoring Board and the Trustees of the IFRS Foundation**

The Monitoring Board and the Trustees of the IFRS Foundation, following discussion at their fifth joint meeting on 1 April 2011 in London, reaffirmed their commitment to seeking close co-ordination in taking forward their respective efforts in reviewing the Foundation's governance and strategy.

The two bodies work together in their respective roles and responsibilities to promote the primary mission of the Foundation in setting high quality, globally accepted financial reporting standards.

The Monitoring Board is conducting a review of the Foundation's governance, while the Trustees are undertaking a strategy review. The primary focus of the Monitoring Board Governance Review is the composition and respective responsibilities and roles of the Monitoring Board, Trustees and IASB. The Trustees' Strategy Review sets out a series of recommendations in four areas—the IFRS Foundation's mission, governance, the standard-setting process, and financing of the IFRS Foundation—including operational aspects of due process and standard-setting oversight. Those interrelated reviews are being conducted independently in a manner consistent with their separate but linked Constitutional responsibilities. At the same time, the two bodies strongly share the view that the two projects should result in an integrated package of measures for continued enhancement of the standard-setter's governance reflective of the increasing global acceptance of IFRSs around the world. In this vein, the two bodies will co-ordinate closely to develop a package of improvements, expected to be issued by the end of August this year.

- The Monitoring Board will consider the comments received during the public consultation period<sup>1</sup> and prepare a feedback statement for publication in the coming months, describing its decisions and the reasons. It will then draw up an action plan for implementing identified governance improvements.
- With the benefit of the comments received in response to their initial consultation document, the Trustees of the Foundation today issued a report on their strategy review.<sup>2</sup> The strategy review document is available on the IFRS Foundation's website. The Trustees welcome any comments received during the 90-day comment period. During this period, the Trustees plan to organise

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<sup>1</sup> The Monitoring Board's consultative report on the review of the Foundation's governance was published for public comment for a period of two months from 7 February to 8 April 2011.

<sup>2</sup> The report was prepared taking into account the comments that the Trustees received during their first round of public consultation between 5 November 2010 and 24 February 2011.

public round tables in Hong Kong, London, New York and Tokyo to enhance stakeholder engagement. Consistent with the commitment to co-ordinate, representatives of the Monitoring Board will participate in the round tables as observers. The Trustees intend to issue a report on their measures after taking into account actions resulting from the Monitoring Board's governance review and having considered the comments received in the process.

Commenting on the governance and strategy reviews, Masamichi Kono, Acting Chair of the IFRS Foundation Monitoring Board, said:

The Monitoring Board reaffirms its commitment to coordinate closely with the Trustees' Strategy Review. The Monitoring Board will develop and publish an action plan for implementation of its Governance Review with a desire to present, along with the Trustees, an integrated package of governance improvements.

Commenting on the governance and strategy reviews, Aki Fujinuma and Robert Glauber, acting co-chairs of the IFRS Foundation Trustees, said:

The Trustees initiated their review at the urging of our stakeholders in order to prepare for the Foundation's second decade. The Trustees are strongly committed to working with the Monitoring Board to ensure that the outcome of our respective reviews provide one co-ordinated package.

**End**

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## **Notes to editors**

### **About the Monitoring Board of the IFRS Foundation**

The members of the Monitoring Board are the Emerging Markets and Technical Committees of the International Organization of Securities Commissions (IOSCO), the Financial Services Agency of Japan (JFSA), the European Commission, and the US Securities and Exchange Commission (SEC). The Basel Committee on Banking Supervision is an observer.

Through the Monitoring Board, capital markets authorities responsible for setting the form and content of financial reporting in respective jurisdictions will be able to carry out more effectively their mandates regarding investor protection, market integrity and capital formation.

### **About the IFRS Foundation**

The IFRS Foundation is the oversight body of the International Accounting Standards Board (IASB). The Foundation, through the IASB, is committed to developing, in the public interest, a single set of high quality, global accounting standards that require transparent and comparable information in general purpose financial statements.

The Trustees of the IFRS Foundation promote the work of the International Accounting Standards Board (IASB) and the rigorous application of IFRSs but are not involved in any technical matters relating to the standards. This responsibility rests solely with the IASB.

Trustees are appointed for a renewable term of three years. Six of the Trustees are selected from the Asia/Oceania region, six from Europe, six from North America, one from Africa, one from South America and two from the rest of the world.