

Trustee - Role Specification

Introduction

The IFRS[®] Foundation is the private sector independent body responsible for the development and promulgation of a single set of high quality global accounting standards. Twenty-two Trustees—six from Asia/Oceania, six from Europe, six the Americas, one from Africa, one from South America and three from any area of the world—oversee the IFRS Foundation and the International Accounting Standards Board (the Board). The Trustees themselves are publicly accountable to a Monitoring Board of capital market authorities. The UK Overseas Companies Regulation 2009, requires that all appointed Trustees automatically assume the role of Director of the IFRS Foundation concurrently with the acceptance of their role of Trustee. The Board is the body responsible for the development of International Financial Reporting Standards (IFRS Standards).

Purpose and main responsibilities of the role

To serve on the governance body of the IFRS Foundation. The Trustees' main responsibilities include:

- oversight of the organisation in the public interest, and in particular the work of the Board;
- the strategic direction of the organisation;
- establishing and amending operating procedures, consultative arrangements and due process for the Board, the IFRS Interpretations Committee and the IFRS Advisory Council;
- appointments to the Board, the IFRS Interpretations Committee and the IFRS Advisory Council; and
- ensuring the financing of the organisation and approving its budget.
- to serve as a Director of the IFRS Foundation

The Trustees are accountable to a Monitoring Board of public capital market authorities <http://www.ifrs.org/The-organisation/Governance-and-accountability/Pages/Monitoring-Board.aspx>

Requirements

Trustees should have a strong understanding of financial practice, ideally with a government, regulatory, business or professional background, or have experience in an organisation with an interest financial reporting. They should demonstrate a firm commitment to serving the

public interest, to the work of the IFRS Foundation and to the Board as a high quality global standard-setter. They should be financially knowledgeable, and be able to meet the time commitment which includes, but is not limited to, three two-day meetings each year, plus travel as meetings are held in locations around the world. Trustees should have an understanding of, and be sensitive to, the challenges associated with the adoption and application of high quality global financial standards developed for use in the world's capital markets and by other users. The mix of Trustees should broadly reflect the world's capital markets, and, apart from the geographical formula for representation, should come from a diversity of backgrounds reflecting the many IFRS Foundation stakeholders. The Trustees shall be required to commit themselves formally to acting in the public interest in all matters.

Duties as detailed in the IFRS Foundation Constitution

The Trustees shall:

- (a) assume responsibility for establishing and maintaining appropriate financing arrangements;
- (b) establish or amend operating procedures for the Trustees;
- (c) determine the legal entity under which the IFRS Foundation shall operate, provided always that such legal entity shall be a foundation or other body corporate conferring limited liability on its members and that the legal documents establishing such legal entity shall incorporate provisions to achieve the same requirements as the provisions contained in this *Constitution*;
- (d) review in due course the location of the IFRS Foundation, as regards both its legal base and its operating location;
- (e) investigate the possibility of seeking charitable or similar status for the IFRS Foundation in those countries where such status would assist fundraising;
- (f) open their meetings to the public but may, at their discretion, hold certain discussions (normally only about selection, appointment and other personnel issues, and funding) in private; and
- (g) publish an annual report on the IFRS Foundation's activities, including audited financial statements and priorities for the coming year.

In addition to the duties set out above, the Trustees shall:

- (a) appoint the members of the Board and establish their contracts of service and performance criteria;
- (b) appoint the Executive Director, in consultation with the Chair of the Board, and establish his or her contract of service and performance criteria;
- (c) appoint the members of the IFRS Interpretations Committee (the Interpretations Committee) and the IFRS Advisory Council (the Advisory Council);
- (d) review annually the strategy of the IFRS Foundation and the Board and its effectiveness, including consideration, but not determination, of the Board's agenda;
- (e) approve annually the budget of the IFRS Foundation and determine the basis for funding;

- (f) review broad strategic issues affecting financial reporting standards, promote the IFRS Foundation and its work and promote the objective of rigorous application of our Standards, provided that the Trustees shall be excluded from involvement in technical matters relating to financial reporting standards;
- (g) establish and amend operating procedures, consultative arrangements and due process for the Board, the Interpretations Committee and the Advisory Council;
- (h) review compliance with the operating procedures, consultative arrangements and due process as described in (g);
- (i) approve amendments to this *Constitution* after following a due process, including consultation with the Advisory Council and publication of an Exposure Draft for public comment and subject to the voting requirements given in section 14;
- (j) exercise all powers of the IFRS Foundation except for those expressly reserved to the Board, the Interpretations Committee and the Advisory Council; and
- (k) foster and review the development of educational programmes and materials that are consistent with the IFRS Foundation's objectives.