

Summary of IASC Foundation Trustees' meeting – October 2008

07 November 2008

The Trustees of the International Accounting Standards Committee (IASC) Foundation, the body responsible for the governance and oversight of the International Accounting Standards Board (IASB), today announced the conclusions of their [press release](#) outlining their conclusions.

Status of the Constitution Review

The Trustees welcomed the large number of responses to their proposals in part 1 of the review of Constitution. Part 1 deals with two issues:

- the creation of a Monitoring Group as a means to enhance the organisation's public accountability, and
- expanding the IASB and introducing guidelines on its geographical composition.

In the light of the comments received, the Trustees decided to review further the proposals. The intention remains to conclude part 1 as soon as possible.

The Trustees confirmed that part 2 of the review will begin in November 2008 as planned, with a comment period of 120 days. Respondents will be invited to raise any further constitutional questions. For details of the timetable and of part 2 of the review see the Constitution Review pages on this Website.

Other conclusions

Review of the IASB work programme and update on US convergence

The Chairman of the IASB, Sir David Tweedie, reported on the IASB work programme. In September 2008 the IASB and the US [Financial Accounting Standards Board \(FASB\)](#) issued a progress report and timetable for completion of the programme set out in their [Memorandum of Understanding of 2006](#).

The Trustees noted that the IASB is continuing to give priority to its work on convergence projects. The Trustees were also provided with an update on other IASB projects, particularly the IFRS for Private Entities. Here the Trustees noted that the project's two main criteria are to meet the needs of users and to ensure that cost-benefit considerations are always borne in mind.

The IASB aims to issue the IFRS in the first quarter of 2009 and to publish training material as soon as possible afterwards.

A new Standards Advisory Council (SAC)

The Trustees noted that the terms of all members of the SAC as well as that of its chairman are due to expire at the end of 2008. They thanked the chairman and SAC members for the enormous contribution they had made to the work of the IASC Foundation.

In line with the decisions made at their meeting in July, the Trustees confirmed that as from January 2009 the SAC will be restructured and its membership largely composed of representatives of stakeholder organisations around the world. The new SAC will comprise representatives from the investor and preparer communities, approved accounting bodies, standard-setters and asset managers, and representatives from developed and emerging markets.

A large number of applications for membership of the SAC and for its chairmanship had been received and will be reviewed by the Nominating Committee. The Trustees expect to announce the appointment of the chairman in November 2008, and to make a formal decision about the new members of the SAC in December 2008 so that late applications received can be taken into consideration.

Due Process Oversight Committee

The Due Process Oversight Committee has begun a review of the effectiveness of the IASB's [working groups](#). A questionnaire has been sent to all past and present working group members; the survey will be followed by personal interviews with some of the respondents. The Trustees believe that the review of the working groups is essential to ensure the effectiveness of the IASB's due process. The results of the review will be reported to the Trustees at their [meeting in January 2009 in New Delhi, India](#).

The Due Process Handbook is being updated to take account of changes in the IASB's working procedures recently introduced to increase transparency and accountability. The changes include the introduction of feedback statements, project summaries, effect analysis and post-implementation reviews.

Trustee appointments

The Trustees were pleased to note that numerous applications had been received in response to the advertisements inviting nominations for one Trustee each from Asia-Oceania, Europe and North America.

The Trustees are consulting the Trustee Appointments Advisory Group before balloting on the appointments.

IASB appointments and the evaluation process

The Trustees confirmed that an advertisement will be placed shortly inviting nominations for the forthcoming vacancies on the IASB in 2009. **Spencer Stuart**, the international search firm, will assist in the management of a broad and transparent selection process.

The Trustees also noted that a detailed 360 degree evaluation of IASB members is about to begin and that the results will be taken into account when the Trustees consider the composition of the Board in January 2009.

Funding of the IASC Foundation

The Trustees noted that several countries are continuing to establish funding systems that comprise levies on listed and/or private companies or are national payments through national authorities, exchanges and business associations. Most recently South Africa has set up a levy system that should be in place for 2009.