
Contact(s)	Jon Baldurs	jbaldu@ifrs.org	+44 (0)20 7246 6467
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Topic	IFRS ‘branding’
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Overview

1. At its meeting in June 2011, the Council discussed *Who is implementing IFRSs—and how? (IFRS ‘branding’)*. Agenda paper 12a provides a summary of the discussions that took place at that meeting.
2. The main conclusions to these discussions were as follows:
 - (a) It is the responsibility of regulators to enforce standards.
 - (b) The IASB must aggressively protect the IFRS brand and guard against false claims of compliance of national standards with IFRSs.
 - (c) The IASB could gather and publish information on the extent to which national standards have, or have not, adopted IFRSs as issued by the IASB.
3. The Council concluded that the next step would be to seek assistance from the National Standard Setters in gathering information about IFRS adoption. It was also decided that further discussions on this issue would take place at the Council meeting in October.
4. At the World Standard Setters meeting in September, Paul Cherry gave a presentation, during which he asked participants questions on IFRS adoption:
 - (a) Are domestic companies required to report using (full) IFRSs as issued by the IASB? If not required, are they permitted to do so?
 - (b) Does the audit report refer to compliance with IFRSs?

This paper has been prepared for discussion at a public meeting of the IFRS Advisory Council of the IASB.

The views expressed in this paper are those of the authors.

Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS—only the IFRS Interpretation Committee or the IASB can make such a determination.

The tentative decisions made by the IASB at its public meetings are reported in IASB *Update*. Official pronouncements of the IASB, including Discussion Papers, Exposure Drafts, IFRSs and Interpretations are published only after it has completed its full due process, including appropriate public consultation and formal voting procedures.

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5. The responses received by 29 September are listed in Appendix A to this paper. The responses from standard-setters within the European Union (EU) are fully consistent with the EU requirements and we can therefore conclude that this is the case for the whole of the EU and the additional European Economic Area (EEA) countries.
6. The Asian-Oceanian Standard-Setters Group (AOSSG) has issued a paper in which among other things talks about IFRS adoption in the region. The paper, *A Vision Paper of the Asian-Oceanian Standard-Setters Group (AOSSG) 2011*, is available on the group's website (www.aossg.org). In Appendix B we have included a table from that paper on the application of IFRSs in the region.
7. One of the issues discussed at the June meeting was the observation that, in practice, many companies and the audit reports of those companies do not seem to be disclosing IFRSs as the basis for reporting. This does however seem inconsistent with the responses we have already received and the information provided in the AOSSG paper. This is, , an issue regulators should be asked to look into for their jurisdictions, that is, whether the financial statements and audit reports of companies should include a clear statement of compliance with IFRSs and, if appropriate, the reason for not doing so.
8. The purpose of this session is to reflect on the discussions that took place in June and on the additional information obtained since then, and to discuss how the Council should take this issue forward.

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Appendix A

A1. Responses received as on 29 September 2011 from the National Standard Setters

Group on IFRS adoption

Country	Use of IFRS's	Reference in audit report
Austria	IFRSs as endorsed by the EU are required for all listed companies.	IFRSs as endorsed by the EU.
Brazil	IFRSs are required for all listed companies and financial services.	Reference to IFRSs if used.
Canada	<p>Private sector: Required for Publicly Accountable Enterprises (as defined in <i>IFRS for SMEs</i>). Allowed for Private Enterprises and Not-for-Profit Organisations.</p> <p>Public sector: Required for Government Business Enterprises (GBE). Allowed for Other Government Organisations (OGO) and Government Not-for-Profit Organisations (GNFPOs).</p>	<p>Reference to IFRSs if used.</p> <p>Reference to IFRSs if used.</p>
Germany	IFRSs as endorsed by the EU are required for all listed companies.	IFRSs as endorsed by the EU.
Italy	IFRSs as endorsed by the EU are required for all listed companies.	
The Netherlands	IFRSs as endorsed by the EU are required for all listed companies. Allowed for 'non-public' companies.	IFRSs as endorsed by the EU.

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Appendix B

B1. Application of IFRSs by members of ASSOG (table taken from *A Vision Paper of the Asian-Oceanian Standard-Setters Group (AOOSG) 2011*).

Jurisdiction	Domestic listed companies						
	Being converged with IFRSs	Fully converged with IFRSs	IFRSs not permitted	IFRSs permitted	IFRSs required for some	IFRSs required for all	Audit report states compliance with IFRSs
Australia						X	Yes
Brunei	No stock exchange in Brunei						
Cambodia	No stock exchange in Cambodia						
China		X					
Dubai						X	
Hong Kong						X	Yes
India	X						
Indonesia	X						
Iraq						X	Yes
Japan	X			X			
Kazakhstan						X	Yes
Korea						X	Yes
Macao	No stock exchange in Macao						
Malaysia	X						
Mongolia						X	Yes
Nepal	X						
New Zealand						X	Yes
Pakistan						X	Yes
Philippines						X	Yes
Saudi Arabia					X		Yes
Singapore	X						
Sri Lanka				X			Yes
Thailand			X				
Uzbekistan			X				
Vietnam	X						
Total	7	1	2	2	1	10	11

This table was developed based on publicly available information or on information submitted by AOSSG members, without any examination being performed on the underlying information on a standard level.