

Summary of the conclusions of the IFRS Foundation Trustees' meeting

October 2011, Paris

Regional outreach activity

The IFRS Foundation Trustees, the Autorité des normes comptables (ANC), the French accounting standard-setter, and the major French business organisations (Acteo, AFEP, MEDEF, and MiddleNext) jointly hosted a seminar and dinner with French business leaders. The event provided an opportunity for greater dialogue between the IFRS Foundation and French stakeholders, and also the broader European official and business communities, on the IASB's work on IFRS.

Report of the Chair of the IASB

The Chair of the IASB provided an update on the work of the IASB since the July 2011 Trustees' meeting. He provided an update of the Board's work to reform financial instruments accounting. As part of this reform, the IASB and the US-based Financial Accounting Standards Board (FASB) are working in close co-operation to improve and align the accounting for financial instruments by IFRSs and US GAAP. He noted the proposals that had been published for public comment to defer the effective date of IFRS 9 *Financial Instruments* until 2015 and provided an update on the ongoing work to seek a converged outcome for both impairment and hedge accounting.

The Chair noted decisions made by the IASB and the FASB to re-expose the Leases and Revenue Recognition proposals for further public comment. The Boards expect to re-expose the Revenue Recognition proposals during the last quarter of 2011 and to re-expose the proposals for Lease Accounting during the first quarter of 2012.

The Chair also provided an update on the Insurance Contracts project. Although this project is not described by the Memorandum of Understanding with the FASB, the boards are working together to seek a converged outcome. The boards are at different stages of their respective due processes and are seeking ways to align their proposals and timetables for completion, noting the relationship between the Financial Instruments and Insurance Contracts projects.

The Trustees and the Chair of the IASB discussed the 4 August 2011 letter sent to the European Securities and Markets Authority (ESMA) on the inconsistent accounting treatment for sovereign debt securities. The letter was subsequently published on the IASB website. The Trustees were in broad support for the letter's message regarding the need for consistent application of the standards. The Trustees also requested that the Due Process Oversight Committee (DPOC) should give consideration to whether, and to what extent, a process is required for correspondence on behalf of the IASB.

The report of the Chair of the IASB is available to download by [clicking here](#) [zip file].

Report of the Chair of the IFRS Advisory Council

The Chair of the IFRS Advisory Council reported on the October 2011 meeting of the Advisory Council. He noted that the meeting represented the last meeting of the current membership of the Council, with six Trustees represented at the Council meeting.

The Chair reported on the Council's discussions with the IASB regarding the completion of the remaining convergence projects, on the future agenda of the IASB and on the need to take a pragmatic approach towards the completion of the IASB's conceptual framework project.

The Chair noted that the draft conclusions of the Trustees' strategy review were broadly supported by Council members. The Council also supported the direction of the IFRS Interpretations Committee review and recognised the need for future additional guidance to be provided by the Committee. The Chair also reported on concerns among Council members regarding inconsistent application of the standards, and asked that the Trustees should give consideration to developing mechanisms to report on and address such issues.

The Chair also noted the desire of the Council to ensure high levels of transparency and awareness of their role in advising the IASB, noting the intention to work with the IFRS Foundation's Communications and Education functions to draw attention to the work of the Council.

The full report of the Chair of the IFRS Advisory council is available to download from [here](#).

Completion of the strategy review

The Trustees' Executive Committee reviewed feedback received in response to the publication of the preliminary conclusions of the Trustees' strategy review.

The Executive Committee reported on the 74 comment letters received in response to the strategy review consultation, noting the seven round-table discussions that had been held around the world. A staff summary of comments received is available by [clicking here](#).

The Committee noted the review's focus on adoption of IFRSs, continued support for preserving the independence of the IASB, the continued focus on the increased intensity of the DPOC's activities, and the importance attributed to the consistency of adoption of IFRSs across all jurisdictions in pursuit of the G20-supported goal of developing globally consistent financial reporting standards.

The Committee noted that the strategy review is now largely complete. The Trustees and the IFRS Foundation Monitoring Board have previously announced their shared desire to coordinate the actions results from strategy review with the conclusions resulting from the Monitoring Board's own governance review. Consistent with that announcement, once the Monitoring Board has completed its own governance review, the Trustees will work with the Monitoring Board in order to deliver the integrated package of reviews. This integrated package is expected to be completed shortly.

Appointment process for Chair of the IFRS Foundation Trustees

The Chair of the Trustees' Nominating Committee provided an update on the search for a new Chair of the IFRS Foundation Trustees, to succeed Tommaso Padoa-Schioppa. The search process is being conducted in cooperation with the IFRS Foundation Monitoring Board. The Trustees reviewed the Nominating Committee's progress and agreed to the next steps, which will lead to a formal recommendation by the end of this year.

Further details on the appointment process and on the time line for completion of the search are available by [clicking here](#).

The audio recording of the public session of the IFRS Foundation Trustees meeting can be accessed by [clicking here](#).

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