

AGENDA PAPER

IFRS Advisory Council Meeting

LONDON 25 – 26 February 2013

Agenda ref 8

TOPIC Application of IFRSs around the world

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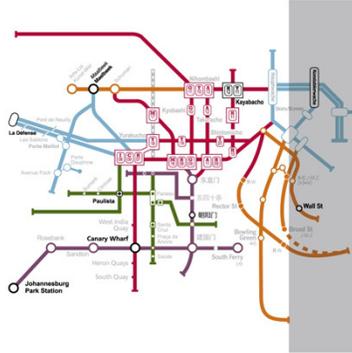
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This paper has been prepared for discussion at a public meeting of the IFRS Advisory Council. The views expressed in this paper are those of the authors. Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS.

Application of IFRSs around the world **Presentation for February 2013 IFRS Advisory Council meeting**

22 February 2013

International Financial Reporting Standards



Application of IFRSs around the world

A project overview
Sonja Lardeau, IFRS Foundation

The views expressed in this presentation are those of the presenter,
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About the survey

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- 2011 Trustee Strategy Review asked the organisation to seek an understanding on the application of IFRSs around the world.
- IFRS Foundation initiates survey in August 2012 among the World Standard-Setting community.
- Survey closed in October 2012 (further contributions are welcome).

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Survey objectives

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- 1. Gain a better understanding on IFRS application**
Not with the objective of a binary assessment of IFRS adoption yes/no, but aiming to understand the individual pathways and circumstances of IFRS adoption and subsequent endorsement processes.
- 2. Provide an independent resource of information**
Enhance transparency and comparability with regard to IFRS application.
- 3. Use that information to provide targeted support**
Understand where *we* can do more and what we can do *better* to support adoption of IFRSs.

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Survey content

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- **Survey consisted of three parts:**
 - Whether and how IFRSs have been adopted
 - Endorsement mechanisms and other matters
 - Use of IFRS for SMEs

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Process

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- Paul Pacter to lead the project as IASB Consultant.
- Initial focus on participants in WSS forum. Ultimate objective: cover all jurisdictions.
- Survey send to WSS participants for completion.
- Creation of jurisdictional profiles on the basis of responses received.
 - Responses and information from relevant other resources used to create draft profile.
 - Draft profile is sent to responding body for review and comments.
- Publication of survey on IFRS website as and when completed – starting with the G20 in Feb/early March. ^M

About the profiles

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- Same structure for all profiles.
- Two levels of information (top-level information to allow for a quick overview and comparison, in-depth comments to provide a more detailed picture on the status of IFRS adoption).
- Where provided and agreed, provision of contact details for national standard-setting or other relevant body.
- Updated on a regular basis.

Responses to date

Overview

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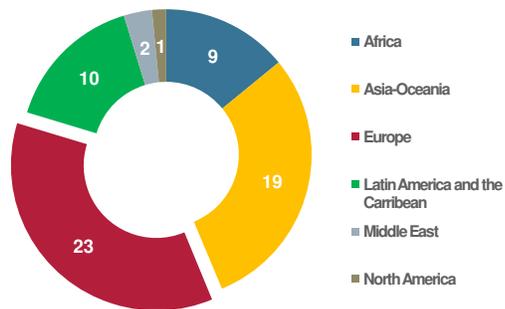


Survey coverage to date

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- 77 responses from 64 jurisdictions (incl. the EU and some of its member states) to date.
- Representative of 71 jurisdictions.
- Responses from bodies in all G20 countries with the exception of the United States.

Respondents according to region of origin

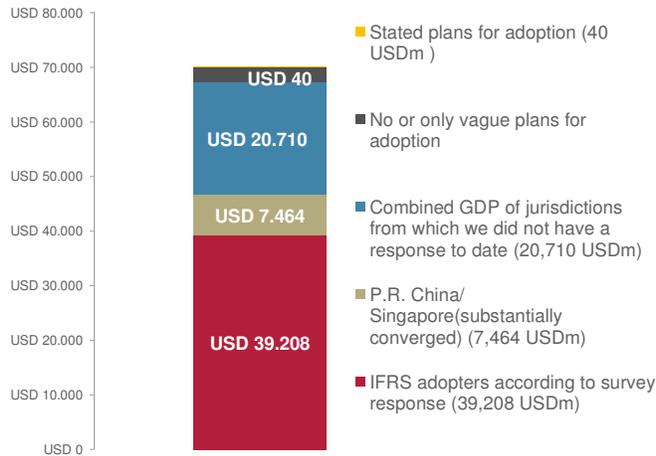


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Consolidated GDP by status of survey response

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GDP source: United Nations. <http://unstats.un.org/unsd/snaama/dnitransfer.asp?ID=2>

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Overview, survey participation in terms of jurisdictions

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Country	Region
Albania	Europe
Argentina	Latin-America and the Caribbean
Australia	Oceania
Austria	Europe
Bahamas	Caribbean
Belgium	Europe
Bhutan	Asia-Oceania
Bolivia	Latin-America and the Caribbean
Botswana	Africa
Brazil	Latin-America and the Caribbean
BRUNEI DARUSSALAM	Asia-Oceania
Bulgaria	Europe
Canada	North America
Chile	Latin-America and the Caribbean
Colombia	Latin-America and the Caribbean
Czech	Europe
Denmark	Europe
ECUADOR	Latin-America and the Caribbean
Estados Unidos Mexicanos (México)	Latin-America and the Caribbean
European Economic Community	Europe
Fiji	Oceania
France	Europe
Georgia	Europe
Germany	Europe
Hong Kong	Asia-Oceania
India	Asia-Oceania
Indonesia	Asia-Oceania
Israel	Middle-East
Italy	Europe
Jamaica	Latin-America and the Caribbean
Japan	Asia-Oceania
Lesotho	Africa
Lithuania	Europe
Macao, China	Asia-Oceania
Malaysia	Asia-Oceania
Malta	Europe
Mauritius	Africa
Mongolia	Asia-Oceania
Netherlands	Europe
New Zealand	Europe
Norway	Europe
Pakistan	Asia-Oceania
People's Republic of China	Asia-Oceania
Republic of Macedonia	Europe
Romania	Europe
Russian Federation	Europe
Saudi Arabia	Middle-East
Serbia	Europe
Singapore	Asia-Oceania
Slovakia	Europe
South Africa	Africa
South Korea	Asia-Oceania
Sri Lanka Accounting Standards (SLFRS)	Asia-Oceania
Switzerland	Europe
Taiwan	Asia-Oceania
Tanzania	Africa
The Republic of the Union of Myanmar	Asia-Oceania
Venezuela	Latin-America and the Caribbean
UGANDA	Africa
Ukraine	Europe
United Kingdom	Europe
Uruguay	Africa
Zambia	Africa
Zimbabwe	Africa

Responses - overview

- Widespread adoption of IFRSs is a reality.
- The responses indicate that in most cases, IFRSs are a *requirement* for domestic companies whose securities are publicly traded.
- The majority of those that responded, also stated that they use IFRSs as issued by the IASB.
- Growing use of the IFRS for SMEs.



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Endorsement mechanisms exist in most jurisdictions, but differ in style.

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- The overwhelming majority of countries have an endorsement process in place.
- Only a few countries seem to opt for incorporation of IFRSs into the legal framework itself.
- Main difference seems to be the degree and focus of deliberations that take place on the national level in addition to the IASB's due process.



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Other matters

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- Majority of those that state that they have already adopted IFRSs for all or some companies also state that they have a contractual relationship with the IFRS Foundation in place.
- Approximately 50% state that they translate IFRS into local language, with the majority of those working in cooperation with the IFRS Foundation translation function.



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Next steps

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- Completion of G20 profiles in due course.
- Review of the 'Use around the world' section on website and posting initial bunch of profiles.
- Continue profile drafting of remaining responses to date.
- Follow up with those that have not yet participated.
- Consider results under strategic planning.

Related material: *The Case for Global Accounting Standards: Arguments and Evidence*, Ann Tarca, Professor of Accounting, University of Western Australia; Academic Fellow - Research, IFRS Foundation (available on the Use around the world section on www.ifrs.org).



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Thank you

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Expressions of individual views by members of the IASB and its staff are encouraged.

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