

FINANCIAL ACCOUNTING FOUNDATION

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FOR IMMEDIATE RELEASE

Financial Accounting Foundation Endorses Statement of the International Accounting Standards Committee Foundation Monitoring Board

Norwalk, CT, September 22, 2009—The Board of Trustees of the Financial Accounting Foundation (FAF) has expressed support for the “Statement on Principles for Accounting Standards and Standard Setting” issued by the International Accounting Standards Committee (IASC) Foundation Monitoring Board today. The IASC Foundation Monitoring Board is composed of securities regulators from both large and emerging markets, including U.S. SEC Chairman Mary Schapiro.

The IASC Foundation Monitoring Board, in noting the importance of “investor protection,” said “Confidence in the quality and integrity of [accounting] standards depends upon independence and transparency in the standard setter’s due process.” The statement also advised, “Regulators and standard setters recognize that market panics should not be allowed to evolve into regulatory panics, where important regulatory fundamentals are inadvertently undermined in an effort to respond quickly to the symptoms—rather than the root causes—of a market crisis.” ([Complete Statement](#))

“Sound markets are a critical engine of economic growth and prosperity,” said Jack Brennan, chairman of the FAF. “Business and the capital markets only work when they are transparent and give investors the necessary confidence to provide investment capital because they believe they can trust the financial markets. Trust-based markets make mortgages, credit cards, and business loans possible.”

“Our sixteen Trustees welcome the insights of the IASC Foundation Monitoring Board and wholeheartedly agree that maintaining the investment community’s trust should be one of the paramount considerations of the capital markets. Further, the FAF is in complete agreement that this can only be achieved if businesses consistently provide investors with the most up-to-date and accurate financial information available. This is why independently set accounting standards are essential to the ongoing health of U.S. and global capital markets and economies.”

About the Financial Accounting Foundation

The FAF is responsible for the oversight, administration, and finances of both the Financial Accounting Standards Board and its counterpart for state and local government, the Governmental Accounting Standards Board. The FAF also is responsible for selecting the members of both Boards and their respective Advisory Councils.