



## FRC writes to European Commission on IAS 32 and 39

FRC PN 85

17 June 2004

At its quarterly meeting today, the Financial Reporting Council (FRC) expressed disappointment and concern that, despite the prolonged discussion as to the suitability for adoption in Europe of the International Accounting Standards Board's standards (IAS 32 and 39) on Financial Instruments, Europe's listed companies have yet to receive a clear and unequivocal message that they should prepare to apply these standards from next year.

### Related Documents



The FRC believes that the adoption of IAS 39 is particularly important to regulate accounting for off-balance sheet finance and to ensure that the impact of derivatives is recorded in financial statements.

Expressing the view of the FRC, its Chairman Sir Bryan Nicholson said:

“The FRC is fully supportive of the proposition that Europe's listed companies should, for accounting periods commencing on or after 1 January 2005, be required in their group financial statements to use the full suite of accounting standards published by the IASB. It shares the vision of Europe's governments that the EU should lead the drive towards a global accounting language and that the European capital market should use the global standards. The FRC is concerned that any failure by Europe's governments to endorse the IASB's standards will have serious implications for the quality and credibility of the EU's financial reporting regime”.

The FRC has today written to Commissioner Bolkestein on this matter. A copy of the FRC's letter is attached to this Press Notice.

### Notes to Editors

1. Sir Bryan Nicholson (FRC Chairman) on 020 7295 5811 or Mary Keegan (ASB Chairman) on 020 7611 9702.

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