



International Accounting Standards Board®

Press Release

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IASB welcomes US SEC proposal to allow IFRSs without reconciliation

The International Accounting Standards Board (IASB) welcomes the decision of the US Securities and Exchange Commission (SEC) to propose allowing non-US companies to file financial results according to International Financial Reporting Standards (IFRSs) as approved by the IASB.

The change would permit non-US companies to access US capital markets without reconciliation with US generally accepted accounting principles (GAAP) by 2009. The SEC emphasised that this proposal applies only to those companies filing financial statements according to full IFRSs. The SEC's decision reflects the increasing acceptance of IFRSs as a widely used and high quality financial reporting language. It also proves the significant progress that has been made in the convergence process between the IASB and the US Financial Accounting Standards Board (FASB).

Sir David Tweedie, IASB chairman, commented on the importance of the SEC decision:

The SEC's proposal shows its recognition of the tangible benefits of a single set of financial reporting standards used in the world's integrating capital markets and the relevance of the continuing IASB-FASB convergence process to the economies of the US and the rest of the world. If approved, the rule will eventually reduce significantly the barriers to capital flows between countries using full IFRSs and the United States. We appreciate the SEC's continued support of our work. Our ultimate aim at the IASB is to have a single set of accounting standards used worldwide. The SEC's proposal is an important step in achieving that goal, but much work remains to be done.

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