



International Accounting Standards Board®

Press Release

6 September 2007

IASB issues revised standard on the presentation of financial statements

The International Accounting Standards Board (IASB) has today issued a revised version of IAS 1 *Presentation of Financial Statements*. The revision is aimed at improving users' ability to analyse and compare the information given in financial statements.

The changes made are to require information in financial statements to be aggregated on the basis of shared characteristics and to introduce a statement of comprehensive income. This will enable readers to analyse changes in a company's equity resulting from transactions with owners in their capacity as owners (such as dividends and share repurchases) separately from 'non-owner' changes (such as transactions with third parties). In response to comments received through the consultation process the revised standard gives preparers of financial statements the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of comprehensive income).

The revisions include changes in the titles of some of the financial statements to reflect their function more clearly (for example, the balance sheet is renamed a statement of financial position). The new titles will be used in accounting standards, but are not mandatory for use in financial statements.

The revised standard will come into effect for the annual periods beginning on or after 1 January 2009, but early adoption is permitted.

The publication of IAS 1 marks the completion of the first phase of the IASB's joint initiative with the US Financial Accounting Standards Board (FASB) to review and harmonise the presentation of financial statements. The second phase, which has already begun, is examining more fundamental questions about the presentation of information in financial statements and the IASB expects to publish a discussion paper on the subject within the next six months.

Introducing the revised IAS 1, Sir David Tweedie, Chairman of the IASB, said

Any changes to the way financial information is presented will quite rightly attract much interest. With the first phase of this project now completed we look forward to addressing the more fundamental questions as part of a broad consultation that will start at the beginning of next year. I would strongly encourage all those who have an interest in financial reporting to participate in this consultation in order to ensure that the best ideas available are given due consideration by the Board.

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Notes to Editors

IAS 1 *Presentation of Financial Statements* is available for eIFRS subscribers from today. Those wishing to subscribe to eIFRSs should visit the online shop at www.iasb.org or contact:

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30 Cannon Street, London EC4M 6XH, United Kingdom.
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Printed copies of IAS 1 (ISBN 978-1-905590-36-0) are available, at £15.00 plus shipping, from the IASC Foundation Publications Department.

About the IASB

The IASB was established in 2001 and is the standard-setting body of the International Accounting Standards Committee (IASC) Foundation, an independent private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality, global accounting standards that provide high quality transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international

and national bodies around the world. Its 14 members (12 of whom are full-time) are drawn from nine countries and have a variety of professional backgrounds. They are appointed by and accountable to the Trustees of the IASC Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience.