



International Accounting Standards
Committee Foundation

Press Release

20 December 2007

IASC Foundation amends Constitution to expand the practical experience of its Interpretations Committee

The Trustees of the International Accounting Standards Committee (IASC) Foundation, the oversight body of the International Accounting Standards Board (IASB), today published amendments to the Foundation's Constitution reflecting their wish that the membership of the International Financial Reporting Interpretations Committee (IFRIC) should have greater diversity of practical experience. The constitutional changes enlarge the IFRIC from 12 to 14 members and amend the quorum and voting requirements accordingly.

The publication of the amendments to the Constitution follows the Trustees' approval of proposals that were published for public comment in April this year. The Trustees considered the comments that had been received at their meeting in New York on 30 October—1 November.

The IASC Foundation will initiate a search for two new IFRIC members shortly. Details will be posted on the IASC Foundation's Website.

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About the IFRIC

The IFRIC is the interpretative body of the International Accounting Standards Board (IASB). Its objective is to review newly identified issues not specifically addressed in IFRSs or issues where unsatisfactory or conflicting interpretations have developed, or seem likely to develop in the absence of authoritative guidance. Any individual or organisation can ask for an issue to be put on the IFRIC's agenda. To be considered, those issues should be widespread and have practical relevance. After this constitutional amendment, the IFRIC

will comprise 14 voting members (all part-time) drawn from a variety of countries and professional backgrounds. They are appointed by the Trustees of the IASC Foundation and are selected for their ability to maintain an awareness of current issues as they arise and the technical ability to resolve them. IFRIC interpretations are subject to IASB approval and have the same authority as a standard issued by the IASB.

About the constitutional changes

In April 2007 the IASC Foundation published for public comment proposed amendments to its Constitution. The proposed amendments were to enlarge the IFRIC, raise the quorum and change the voting requirements.

The Trustees considered the comments that had been received at their meeting in New York on 30 October—1 November 2007. The Trustees wish the membership of the IFRIC to include greater diversity of practical experience and recognised that the Constitution would benefit from greater clarity. Consequently, they made the following decisions:

- the IFRIC should be expanded from 12 to 14 members.
- the quorum for IFRIC meetings should be raised from 9 to 10 members.
- the voting requirements for approval of draft or final Interpretations should enable approval if no more than four members vote against.
- the membership of the IFRIC should reflect greater diversity of practical experience and expertise in the application of International Financial Reporting Standards (IFRSs) and analysis of financial statements using IFRSs. This is particularly important in the light of the expanding adoption of IFRSs throughout the world.

The necessary changes to the Constitution to implement these decisions were approved, with immediate effect.

To view the amended IASC Foundation Constitution, please visit www.iasb.org