



International Accounting Standards Board®

Press Release

FOR IMMEDIATE RELEASE

3 July 2002

IASB CHAIRMAN WELCOMES AUSTRALIA'S MOVE TO ADOPT INTERNATIONAL ACCOUNTING STANDARDS BY 2005

Sir David Tweedie, Chairman of the International Accounting Standards Board (IASB), welcomed today's decision of the Financial Reporting Council (FRC) of Australia to endorse formally the adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) for Australian reporting entities by 1 January 2005. The FRC's decision is in line with Australian Government policy and legislation calling for the international convergence of accounting standards. In addition, to assist in the development of international standards, the FRC proposes a substantial financial contribution to the IASC Foundation for 2002-2003.

The FRC's announcement demonstrates growing support for the development and implementation of a single set of high quality global accounting standards by 2005. Australia's adoption of international accounting standards closely follows the European Union's decision of 7 June 2002 to adopt international standards for publicly traded companies within the EU. Last week, the Canadian Securities Administrators proposed for public comment that certain foreign listed companies in Canada be able to use the IASB's standards without reconciliation to Canadian generally accepted accounting principles, beginning in 2005.

Sir David hailed the decision of Australia's FRC as a sign of increased momentum behind the IASB's efforts. He commented, "This vote of confidence is a reflection of the leadership role that Australia continues to play in standard-setting, and will increase momentum for convergence towards high quality international standards. The input and active participation of interested parties in Australia and the Australian Accounting Standards Board (AASB), under the leadership of Keith Alfredson, are and will remain a vital element in ensuring the

IASB's success. It is through national standard-setters, such as the AASB, and the members of our various committees that we are able jointly to develop high quality solutions to accounting issues, leverage resources to research topics not yet on the international agenda so as to expedite conclusions, reach interested parties throughout the world and better understand differences in operating environments, thus fulfilling our role as a global standard-setter."

For Press Inquiries:

Tom Seidenstein, Telephone: +44 (020) 7246-6450; email: tseidenstein@iasb.org.uk

NOTES TO EDITORS

1. The International Accounting Standards Board (IASB), based in London, began operations in 2001. It is funded by contributions from the major accounting firms, private financial institutions and industrial companies throughout the world, central and development banks, and other international and professional organisations. The 14 Board members (12 of whom are full-time; 1 part-time position is vacant) reside in nine countries and have a variety of functional backgrounds. The IASB is committed to developing, in the public interest, a single set of high quality, global accounting standards that require transparent and comparable information in general purpose financial statements. In pursuit of this objective, the IASB cooperates with national accounting standard-setters to achieve convergence in accounting standards around the world.
2. Individuals from Australia serve on committees of the IASC Foundation and the IASB. Kenneth Spencer, former Chairman of the Australian Accounting Standards Board, is one of the Trustees of the IASC Foundation, and Warren McGregor is a member of the IASB and is designated as the liaison member for Australia and New Zealand. Wayne Lonergan, Lonergan Edwards & Associates, serves on the International Financial Reporting Interpretations Committee (IFRIC). Peter Day,

Executive General Manager of Finance, AMCOR, and Ian Mackintosh, formerly Chief Accountant of the Australian Securities and Investments Commission, are members of the Standards Advisory Council.