

Accountants Welcome IFRS Copyright Agreement

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Institute Of Chartered Accountants Welcomes IFRS Copyright Agreement

The Institute of Chartered Accountants of New Zealand has welcomed the announcement by Commerce Minister Margaret Wilson that International Financial Reporting Standards (IFRS) can now be used in New Zealand. This follows the International Accounting Standards Committee Foundation's agreement to renounce its copyright in IFRS in respect of New Zealand. Dr Alan Teixeira, the Institute's General Manager - Standards and Quality Assurance, described the announcement as "a significant milestone on the road to New Zealand's adoption of International Financial Reporting Standards".

"The Institute is nearing the end of an ambitious programme to have the New Zealand equivalents of the International Financial Reporting Standards in place shortly after 1 July this year," Dr Teixeira said.

"This agreement ensures these new standards can be made available to all New Zealanders. The Institute would like to thank the Government for its work in bringing this agreement about. "The Institute will now be able to increase its focus on ensuring the standards meet the needs of the public-sector and the not-for-profit sector. This reflects New Zealand's leadership in developing sector neutral financial reporting standards.

"The Institute will also continue in its role as a standard setter, in partnership with the International Accounting Standards Board (IASB). New Zealand is leading the research phase for a standard on Management Commentary and participating as a team member on other projects. The Institute's involvement with the IASB reflects the high regard with which it is held in the international standard setting community."

Dr Teixeira said the announcement highlighted the importance for New Zealand companies to engage in the development of that framework and make sure that their preparations for the move to IFRS were well on track. The IFRS framework will apply in New Zealand from 1 January 2007, although entities can choose to adopt voluntarily from 1 January 2005.

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