



MEDIA RELEASE

11 January 2005

Advisory body to help implementation of new rules

The Australian Accounting Standards Board (AASB) should consider creating a technical advisory panel to help identify implementation and interpretation problems emerging out of the move to International Financial Reporting Standards (IFRS), according to the National Institute of Accountants (NIA).

The NIA, one of three professionally recognised accounting bodies in Australia, believes a technical advisory panel could provide the standard setter regular feedback on implementation concerns and emerging trends.

The advisory panel should include members from the three accounting bodies, the major accounting firms, representatives of the second tier practices, business, regulators and other interested parties to help resolve areas of uncertainty.

“We are aware that industry groups have formed discussion forums and some accounting firms are liaising with each other on interpretation and implementation matters,” NIA Technical Policy Manager Gavan Ord said.

“This is understandable in the absence of a body that could help practitioners and the AASB better communicate the concerns we have seen being articulated in the press over the past few years.

“What is needed is a forum that can provide the standard setter with an effective source of feedback on what a broad range of practitioners believe is less than clear.”

Mr Ord said it may be that the concerns are genuine interpretation problems that emerge from the accounting standards. It is also clear the new standards are also forcing people to relearn aspects of their accounting with the help of professional accounting bodies such as the NIA through professional development programs.

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He said a mechanism to determine whether concerns raised by people are merely educational issues or matters requiring legislative action from a standard setter is needed.

“The challenge for practitioners is not just reading the standards but also understanding the nuances that exist within the literature,” Mr Ord said.

“Those outside the major accounting firms will not have access to that kind of thinking and a forum at which more challenging areas of implementation can be discussed by thought leaders in the accounting profession will provide a clearer idea of where the standard setter and the professional accounting bodies need to focus their efforts on education.”

About the NIA

Representing more than 13,000 members, the NIA is recognised as a leading voice for the profession through its representation on a number of peak bodies including the Financial Reporting Council, the National Tax Liaison Group, the Superannuation Industry Liaison Group and the Small Business Forum.

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