IFRS Interpretations Committee (IC)

Criteria for Interpretations Committee Members

The Constitution states:

“The Interpretations Committee, formerly called the International Financial Reporting Interpretations Committee, shall comprise fourteen voting members, appointed by the Trustees under section 15(c) for renewable terms of three years. The Trustees shall select members of the Interpretations Committee so that it comprises a group of people representing, within that group, the best available combination of technical expertise and diversity of international business and market experience in the practical application of IFRSs and analysis of financial statements prepared in accordance with IFRSs. Expenses of travel on Interpretations Committee business shall be met by the IFRS Foundation.”

It was agreed that the following criteria should be met when considering individuals for membership on the IC:

• Have a high level of technical expertise.
• To add to the diversity of the IC in terms of International business.
• Have market experience in the practical application of IFRS standards and analysis of financial statements prepared in accordance with IFRS standards.
• Can serve in an individual capacity and demonstrate their independence.

Accounting Firms Allocation:

Representation from the accounting firms is limited to five of the 14 seats on the IC. At any one time, there may only be one individual from each of the four large firms and one individual occupying the rotating seat from the mid-tier firms.

Regulatory Representation:

Regulators will be considered for observers seats on the basis that they are able to represent a broad body of regulators.

Criteria for Interpretations Committee Observers

The Constitution states:

“The Trustees, as they deem necessary, shall appoint as non-voting observer representatives of regulatory organisations, who shall have the right to attend and speak at meetings.”

It was agreed that the following criteria should be met when considering securities or prudential regulators for the role of Observer:

• Ability to give feedback and an insight into issues from within their industry
• Must link in with other regulatory organisations where accounting standards issues and/or conflict with market conduct may arise.