

IFAC Focuses on Corporate Governance

Recognizing that corporate governance is key to efficient investment, including public confidence in capital markets, IFAC has taken a series of important decisions in this regard at its recent Board and Council meetings, which was attended by more than 100 leaders of national accountancy institutes.

The IFAC has established a working group to identify initiatives that it should undertake in Corporate Governance arena. Besides, it has also approved a MoU with United Nations Conference on Trade and Development to work together more closely to achieve greater recognition for good governance, reliable accounting and clear accountability to economic growth and social development. Early projects will focus on education and training programs and corporate governance.

IFAC has also signed a MoU with the Institute of Internal Auditors to undertake joint activities, including those related to corporate governance and the account-

ability of public sector organizations.

IFAC's Board and Council reconfirmed their commitment to achieve convergence to international standards, agreeing to move ahead on recommendations in the recently issued report, titled '*Challenges and Successes in Implementing International Standards: Achieving Convergence to IFRSs and ISAs*', giving particular attention to the needs of small and medium enterprises and practices.

During the meeting, the IFAC Council also accepted six new organizations as members. These are — Association of Accountants and Auditors of Republic of Srpska (associate member), Chamber of Financial Auditors of Romania (associate member), Certified Public Accountants Association of Morocco (full member), Estonian Auditing Board (full member), Iranian Association of Certified Public Accountants (associate member) and National Institute of Accountants in Australia (full member). (www.ifac.org)

Role, value of accountants in business comes in limelight

Providing assurance, facilitating management decision-making and strategic development and serving as the gatekeeper of corporate integrity are all key roles of professional accountants in business that are highlighted in a new publication *The Diverse Roles of Professional Accountants in Business* released by the International Federation of Accountant. The booklet, which provides insights into the varied responsibilities of professional accountants in business, features interviews with 16 senior-level accountants working in a variety of organizations in 11 different countries.

The interviews revealed several common themes:

- The work of professional accountants in business has changed significantly in recent years – today it has as much to do with strategy and assurance as it is to do with the integrity of the numbers produced.

- Today's accountants in business deal with ongoing pressure over ethics, based in large part on aggressive earnings management
- Continuing professional education is seen as necessary to staying current on increasingly complex business and accounting issues

The publication may be downloaded free of charge (simple registration information is required) from IFAC's online bookstore by going to www.ifac.org.

First time adoption of IFRS— Guidance for Auditors on Reporting Issues

International Federation of Accountants has come out with "Guidance for Auditors on Reporting Issues" regarding first time adoption of International Financial reporting Standards'. Developed in association with professional accountancy bodies, national standard setters, and audit firms, it features questions and answers on this topic.

This paper provides answers to questions raised with regard to requests for auditors to audit, review, or otherwise report on information prepared by entities during their transition to International Financial Reporting Standards. Details are available at www.ifac.org.

World meet to discuss SMP, SME issues

In line with its recently renewed pledge to pay special attention to the professional needs of developing nations, the IFAC has decided to hold a global consultative conference on SMP/SMEs and related issues. Representative of IFAC member and regional accountancy bodies, standard setters and development and aid agencies will discuss issues facing small and medium practices and small and medium enterprises in the conference, which is scheduled to be held in Prague on March 10-11, 2005. More details are available at IFAC website. ■