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**AICPA CALLS FOR THREE TO FIVE YEAR TIMELINE FOR REASONABLE  
TRANSITION TO IFRS**

*AICPA's Melancon Speaks at FASB Conference in NYC*

**New York (June 17)** -- Barry C. Melancon, president and CEO of the American Institute of Certified Public Accountants, speaking at a forum of accounting and finance authorities on international accounting, called for a reasonable and clear-cut time frame of three to five years for the U.S. accounting profession to adopt International Financial Reporting Standards.

"Awareness is growing among U.S. accountants that IFRS is coming for public companies and most believe it will take three to five years to get ready," Melancon said at a Financial Accounting Standards Board conference on International Financial Reporting Standards held at Baruch College in New York City on June 16.

Melancon's comments came in remarks at a FASB forum on "High-Quality Global Accounting Standards: Issues and Implications for U.S. Financial Reporting" that was attended by 24 representatives from the U.S. and international accounting and finance professions as well as state and federal regulatory authorities including the Securities and Exchange Commission and Internal Revenue Service. The purpose of the FASB forum was to open a dialogue about whether and how to move the U.S. financial reporting system to IFRS and broadly define next steps in that process.

"The overwhelming feedback we get from people who focus on this issue is, 'Let's get it done,'" Melancon said. "Let's get a date certain for public companies. Let's put that date out there so the momentum can build, all of the proper steps can be put in place, and work groups that need to be in a whole variety of different areas can follow."

A majority of AICPA members polled in an April 24 to May 12 survey said they believed it would take three to five years to prepare for IFRS. Thirty-four percent said they would need three years and 31.4 percent said they would need four or five years. The online survey of 1,240 members had a margin of error of less than 3 percentage points.

The Securities and Exchange Commission last year allowed foreign public companies to issue financial statements in the U.S. using IFRS, instead of U.S. generally accepted accounting principles (GAAP). The SEC is now weighing whether to issue a proposed rule that would allow U.S. firms to use IFRS.

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IFRS are set by the International Accounting Standards Board in London, the international equivalent of the FASB in Norwalk, Conn. The AICPA's governing Council voted May 18 to designate the IASB for the first time as an accounting body for purposes of applying IFRS in the U.S.

The American Institute of Certified Public Accountants announced the introduction May 15 of IFRS.com, a new Web site developed in partnership with its marketing and technology subsidiary CPA2Biz to help members and financial professionals learn about and stay informed on IFRS. Multimedia content on the new Web site includes informational videos, explanatory material about IFRS, training programs and links to useful resources.

On May 1, the AICPA released a draft proposal for public comment outlining proposed content updates for the CPA exam. The proposal increases emphasis on ethics and provides more in-depth descriptions of the skills necessary for entry-level CPAs. It proposes including IFRS on the exam for the first time.

Earlier this year, the AICPA introduced an 8-hour continuing professional education course titled "International Versus U.S. Accounting: What in the World is the Difference?" designed to teach CPAs the significant differences and similarities between U.S. GAAP and IFRS, analyze financial statements prepared in accordance with IFRS, and standardize reporting in an international environment.

### **About CPA2Biz**

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### **About the AICPA**

The American Institute of Certified Public Accountants ([www.aicpa.org](http://www.aicpa.org)) is the national, professional association of CPAs, with more than 350,000 CPA members in business and industry, public practice, government, education, student affiliates, and international associates. It sets ethical standards for the profession and U.S. auditing standards for audits of private companies, non-profit organizations, federal, state and local governments. It develops and grades the Uniform CPA Examination.

The AICPA maintains offices in New York, Washington, D.C., Durham, N.C., Ewing, N.J., and Lewisville, TX.

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