



European Financial Reporting Advisory Group ■

Proactive Work in Europe

Outreach Event, Milan Italy

15 March, 2012

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Overview

- Part 1: Proactive Strategy
- Part 2: Current Proactive Projects
- Part 3: Future Programme

Part 1 – Proactive Strategy



□ Why do proactive work?

- Constituents have told that it is important to influence the IASB early: to set the agenda not just react to it
- Positive response to ProActive Accounting in Europe Initiative (PAAinE) – eg revenue recognition and pensions projects
- Counterbalance the influence of the US on financial reporting

Proactive Strategy

Focus on Improvement
Strategy for European Proactive Financial Reporting Activities



EFRAG
European Financial Reporting Advisory Group

***Aim 1:** Engage with European constituents to ensure we understand their issues and how financial reporting affects them;*

***Aim 2:** Influence the development of global financial reporting standards;*

***Aim 3:** Provide thought leadership in developing the principles and practices that underpin financial reporting; and*

***Aim 4:** Promote solutions that improve the quality of information, are practical, and enhance transparency and accountability.*

Part 2: Current Proactive Projects



□ Current Projects

- Effects of Accounting Standards
- BCUCC
- Income Tax
- Disclosure Framework
- The Role of the Business Model in Financial Reporting
- Separate Financial Statements
- How capital providers use financial statements

Part 3: Future Programme



□ Possible Projects

- Depends on IASB agenda setting and the results of European consultation on EFRAG's
- Restart conceptual framework – performance reporting, debt/equity distinction, measurement etc
- Responding to global initiatives