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## **Annual Meeting, October 21, 2003, The Sheraton New Orleans, New Orleans, Louisiana**

American Institute of Certified Public Accountants (AICPA)

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AMERICAN INSTITUTE  
of  
CERTIFIED PUBLIC ACCOUNTANTS

Annual Meeting

October 21, 2003  
The Sheraton New Orleans  
New Orleans, Louisiana

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P R O C E E D I N G S

CHAIRMAN EZZELL: At this time I declare the Annual Meeting of the American Institute of Certified Public Accountants to be in session, and in particular offer a warm welcome to the members of the Institute attending this meeting.

A copy of the annual joint message from Barry and me together with the audited financial statements for the past year, have been distributed for your review. Extra copies are available at the registration desk. This material will also appear in the Journal of Accountancy, which will be mailed to all members.

(Newly-elected Chairman, Scott Voynich, delivered his inaugural remarks to all assembled.)

CHAIRMAN EZZELL: We are now going to turn to Agenda Item #18, to have an update on the International Federation of Accountants.

I had the privilege of being out last night on Bourbon Street. I think I've

2 indicated earlier, Rene, to the group that you  
3 were singing last night along with us, all of us,  
4 on Bourbon Street "Sitting on the Dock of the  
5 Bay" in French. Sounds pretty good in French or  
6 English.

7 So I think what I'll do, I will  
8 use all of the French that I have in the  
9 introduction of Rene today and then Rene, when  
10 you give your remarks, you can use your southern  
11 expressions. And we'll just sort of have this  
12 international exchange going here.

13 (Laughter.)

14 CHAIRMAN EZZELL: It's my  
15 pleasure to introduce you, to introduce to you  
16 Rene Ricol, President of the International  
17 Federation of Accountants. He is going to give us  
18 an update on some of the recent activities of  
19 IFAC.

20 Rene is President of the French  
21 accounting firm of Ricol, Lasteyrie and  
22 Associates. He explained to me that is a small  
23 firm in France with 4,000 people in the firm.  
24 It's actually more than just France, throughout  
25 Europe, over 4000 employees throughout Europe.

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Rene has served as President of  
the French Compagnie Nationale des Commissaires -  
something like that - aux Comptes --

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(Laughter.)

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CHAIRMAN EZZELL: Bordeaux!

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(Laughter.)

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CHAIRMAN EZZELL: -- and the  
Ordre des Experts Comptables.

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He has also been a member of  
IFAC's Board, formerly Council, since 1995 and  
was appointed by the Prime Minister of France as  
President of a study group for the advancement of  
small and medium-size businesses.

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16

Rene, please join us at the  
front here and we would love to hear from you.

17

Thank you.

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MR. RENE RICOL: Je crie que vous  
parlez francais parfaitement. That's all. His  
French is so good.

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22

Because he speaks good French,  
(unintelligible.)

23

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25

I'm not going to -- it would be  
a difficult time for you to hear somebody  
speaking, a Frenchman. But just let me tell you

2 that I had a wonderful predecessor as the  
3 President of IFAC who was Japanese. And we kind  
4 of went around Europe with a kind of Esperanto,  
5 Japanese, French, English.

6 Distinguished guests, ladies and  
7 gentlemen.

8 May I first say what a pleasure  
9 it is to be with you here at this conference. I  
10 very much look forward to our discussions and to  
11 the insights all of you bring to this meeting.

12 Jim said some things during  
13 lunch which is always true. We are always  
14 starting a speech saying that it's a great  
15 privilege, a great pleasure. And you don't know  
16 if people are saying this because they are just  
17 polite or sincere.

18 But as he did for the lunch, I  
19 would just like to say that with my heart, it's a  
20 great privilege to be here in New Orleans with  
21 you. It's a great privilege to work with your  
22 AICPA leadership, with Bill Izzell. You did a  
23 great job because in your time it was difficult  
24 because of a lot of criticisms. And I have to say  
25 that Bill Ezzell and Jim Castellano also did a

2 wonderful job. It was a great pleasure for me to  
3 work with both of you.

4 And it is true that we have to  
5 face the situation. And a lot of our colleagues  
6 through the world are just thinking what reason,  
7 so many criticisms they have of the profession.  
8 And they are feeling that it is unfair just  
9 because one, two or three groups of people not  
10 only in the United States but also in several  
11 other countries did failures. And they have the  
12 feeling that the consequences are just too much.

13 And when you are facing this  
14 kind of situation, you have to choose, you need  
15 to make a choice.

16 So the first attitude, which is  
17 the wrong attitude, is to say, oh, that is  
18 unfair, people are unfair. And so the only way is  
19 to recognize that you are prepared to take the  
20 medicines and to try to wait and see something  
21 that is happening.

22 So the second attitude, which is  
23 the right attitude, is to say that we can make us  
24 better, and I am using the words used by Scott  
25 Voynich, your new Chairman. I do believe that we

2 can use crises for making us better. And it's  
3 just because we are recognized as a source of  
4 strength, so efficient and so good proficient,  
5 that only the financial community was  
6 disappointed, not exactly by the scholars, but by  
7 the fact that it was some fellows of the  
8 profession in terms of internal control for the  
9 firms and in terms of internal control for the  
10 profession.

11 And before starting my speech, I  
12 just would like to tell you how proud I am to be  
13 the Chairman for the world, of the elite  
14 profession, which was about to say, yes, it was  
15 just a -- it's a small number of people, members  
16 of the profession, we do recognize that  
17 principle, we do recognize that we have something  
18 to do and we took actions, we made actions.

19 And so I'm just proud of the  
20 attitude we have in the United States, in Europe,  
21 in Asia, in all the world.

22 Let me tell you of IFAC because  
23 IFAC is also yours. IFAC is a body representing  
24 140 countries and representing 156 members. AICPA  
25 is one of the members, and let me tell you the



2 most important member because of key  
3 contribution, but also the most important member  
4 because it's getting it just right now. It's just  
5 like the most important city of the world.

6 And that's the reason why when I  
7 was designated as IFAC chairman or president -  
8 you can use the two words depending if you want  
9 to speak the American language or the European  
10 language, but we organized with Barry at the  
11 AICPA a meeting.

12 And my question was what do you  
13 want to achieve with IFAC. What is the good of  
14 this international organization?

15 And the first question coming  
16 back, as what Scott say during the lunch, do we  
17 have to be the advocate for the profession or do  
18 we have to be the advocate for the public  
19 interest.

20 And the answer was clearly IFAC  
21 has to be the advocate for the public interest.  
22 And that means that it was asked to us by the  
23 CEOs of our public bodies, the CEOs of the  
24 national cities to prioritize our standard  
25 setting activities, our standard setting

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activities in four areas: in the (unintelligible) area, in the education area, in (unintelligible) area, and in the public accounting area.

And it was just a challenge in a time when the United States and the UK, it was this idea by the parliament to move out of the profession the standard setters. But it was also one way for coming back on this point and just telling the regulatory community to try to manage the profession, to try to regulate the profession, to try to establish standards without the environment of the profession is just crazy.

And I have to say that this recommendation coming from the CEOs was a right recommendation.

And just thinking to the discussion that I had at the end of last week in Washington, D.C. with the PCAOB and with McDonough, I just heard that the PCAOB, as it was said yesterday, the PCAOB is just trying to establish through the AICPA a new bridge between the regulatory body and the profession.

And just to say that it's unworkable to try to regulate the profession

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without the profession itself.

And that was the first priority.

The second priority was to be, as IFAC, the voice of the profession worldwide. And more than that, to be the eyes and ears of the profession.

And just let me tell you that we are also a unique profession in the world, which is so strong an ability to share their views and to manage (unintelligible.)

We are the elite profession which is about to designate a board and one chairman who can (unintelligible) the whole profession. I will come back on this point in a couple of seconds.

And to serve priority by IFAC was not to act as (unintelligible) but it was try to be a kind of coordinator, facilitator, promoter.

And looking your Council yesterday and today all the good things that you are doing in the different areas, it is true that one of the roles of IFAC is just to promote what you are doing. There (unintelligible) for IFAC to

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do the same, just to use the best practices, the best products, the best ideas. And we have so many things to do.

There is so many areas in which it is important to be involved.

During the meeting in January we decided also to redefine the core values of the profession. And you would not be surprised: competency, objectivity, integrity.

Integrity is most important for me. I tend to believe that the leading mistake in the last few years not keeping to independence as a key word for identifying the profession.

To be independent is a goal. It is an objective. But thank God for our independence we are sure to achieve this.

I think that -- I will discuss at this time a bit about the independence rule and probably before the end of my career I will have to discuss some of those.

(Unintelligible.)

But if I'm asking you do you feel it walking with integrity, you say yes, I want to walk with integrity, I'm trying to do my

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best for walking with integrity.

And when we are saying that we want to identify the profession with the word "integrity," there are a lot of very pragmatical consequences. That means that when you are walking, we have to ask ourselves, as long as I see that I'm competent, as long as I have the best (unintelligible), as long as I am fulfilling all the independence rules, pass, in this particular case I'm not independent or I'm not competent.

And so the consequence, the pragmatic consequence of the word "integrity" is internal control.

If we want to walk with integrity, small firm, medium size firms, large firms, we have to develop and develop and develop a strong internal control, exactly the same goal as the companies.

And still in the same meeting we decided to take a challenge quickly. And I received the full support of all the CEOs. And I have to say that that was done under the pressure of Barry and we just gave me freedom for making

2 (unintelligible) and this is where we are.

3 We started just after this  
4 meeting in February to discuss (unintelligible.)  
5 And when first meeting with them, regulators  
6 attended this first meeting with IOSCO. IOSCO is  
7 a group of SECs of the world, the World Bank,  
8 (unintelligible) division of the banks, the  
9 (unintelligible).

10 And all of them were there. And  
11 we asked also the European Commission to come  
12 because is a first part of the world, the  
13 international accounting and international  
14 accounting.

15 And at this first meeting it was  
16 just terrible because I asked them, okay, explain  
17 what you have to say about the profession. And  
18 criticize. And after criticize for hours and  
19 hours, probably more than seven hours. But if I  
20 summarize their criticisms it was quite simple.

21 The first one is are you  
22 defending the public interest or are you  
23 defending the interests of your members.

24 Are you as firms making business  
25 or working for the public interest.

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And that was the two key questions.

And really to try to (unintelligible) as firms - small, medium size and large - we are making business. We are making business. We are employees and we are making business.

But we are making this business with honesty, with competency, with objectivity and with integrity.

As IFAC and as national constituents we are first devoted to defend the public interest. And it is clear that the first role of the AICPA and was demonstrated during these two days, and the first word of IFAC is to defend the public interest.

And it's just the profession to have been about to put in place national bodies and international bodies representing first not their interests but first defending the public interest.

And that first meeting in February, we have had, I would say, twenty, thirty, forty meetings with them.

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(Unintelligible.)

The programmers of the Central Bank from the United States (unintelligible.)

And this group on the 10th of September expresses its enthusiastic support for (unintelligible.)

On the 24th of September unanimously the Technical Committee of IOSCO, that means the community of the Chair of the SEC with (unintelligible) supported unanimously as a reform. So that committee met last week and the World Bank too.

And so we are today with this reform. And what are the key points of this reform?

The first point is because we (unintelligible) defend the public interest, but because we are the best standard of the profession, first we keep the standard setting activity within IFAC, but we are accepting to create a public interest of outside board.

The United States, we're just a member, for example, what kind of PI body do we need. Do we need (unintelligible), do we need to



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have your new PCAOB, which is not to keep the standard setting activity with IFAC?

And finally after a lot of discussion and, once again, we put in place kind of international body which we have more (unintelligible).

This PI will have ten people, four coming from IOSCO, one from the (unintelligible) community, two from your (unintelligible) community, one from the World bank, one from the Association of Insurance Supervisors, and one from the profession.

And all the members will be subject to the IFAC Committee.

The peer review will have quite an important role because as PIOB we have the role of approving the membership and the chairmanship of the standard setting committees.

And the second key point is this -- we are asking not only the standard setting activities of IFAC, but also of the work done by the firms themselves in connecting these standards.

(Unintelligible.)

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MR. RENE RICOL: The second part of the reform is to consider, but it's not because we are making the reform, it is the end of the story. We are facing so many difficulties. We cannot have to face some new difficulties, we can have new standards because (unintelligible.)

And with the idea to create a permanent contact group which will meet at least twice a year but more meeting between the international regulatory community and IFAC (unintelligible) monetary group and we call our group IFAC Group, and this group will have to face a lot of issues, not only issues directly with the profession, but also issues linked with the pressures in the financial world.

Let's say that we have some concerns about (unintelligible) within the companies. We have some concerns about the role of the financial analysis. We have some concerns about the lawyers. We have a lot of concerns we need to share with them.

Just to reform the profession is not enough. There is a security chain and we are a very strong element of the security chain. But

2 if we want to move the chain, we need not only  
3 move one element, we need to move all the  
4 elements.

5 The third key point of the  
6 reform is to change the way in which the  
7 standards are established. And the key point of  
8 this reform is just to make sure that the  
9 standard setter will certainly take into account  
10 all the concerns expressed about the exposure  
11 standard, exposed draft standard.

12 And as you know, there is a lot  
13 of criticism expressed about the way in which our  
14 accounting or auditing standard setters and a lot  
15 of people are saying that (unintelligible) and  
16 not taking into account our answer. That will  
17 change with IFAC. And I see that once again you  
18 are a good example for the world.

19 That was the last point.

20 The fourth point of the reform  
21 is quite key. The fourth point of the reform is  
22 to create two permanent task forces, one for the  
23 small firms, just making sure that anything from  
24 IFAC is not only useful for the large firms but  
25 also for the small firms.

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And this task force will have a very important role. It will be treated under the IFAC constitution.

And we are doing the same for the developing nations.

Let me make a side issue. When I was president of the Companies Nationale des Commissaires aux Comptes, that means the Institute, and the standard leaders of France because in France we have two different constituents, the ICPA is split in two parts, one with accounting and other one (unintelligible.)

And when I was president of the Institute (unintelligible).

And one day we were approaching some standards and I said I have just one question for you, who break the standards (unintelligible). None of them put their hands up.

And my second question was, okay, read the standard and tell me do you see that (unintelligible) within your firm (unintelligible.) No hands up.

So I said okay, we

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(unintelligible).

And we tried to come back to the ground, choose some new standards which were more easy (unintelligible.)

And twenty years after within the international accounting standard, international meeting standard, French accounting, French Committee, American accounting and American Institute, I had a difficult summer because I tried to read all the standards.

And my point is to say the standard setters have to come back on the ground. The basic standard issue you need a group say what does this new standard mean. And that is a view that we are sharing also with the users, with the preparers and with all the profession.

And we recognize two meetings in June with all the standard setters and the key point is are you ready to come back on the ground because when a standard is very complicated, that means also that it is easy to manipulate.

And what we want, as members of the profession, we want to have (unintelligible) honest, transparent standards. That's the

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condition that we want to walk with integrity.

I close my side issue.

But this is important because if not we continue to be on two different planets.

And let me continue the side issue one minute more.

I was in South America a couple of weeks ago and it was a meeting with fifteen or sixteen countries. And some people came with international accounting standards. And some of them (unintelligible).

And I said let me read to you one standard, very complicated, some standards is more than one page. And could you explain to us how we can apply these standards in our country where we have just four companies, none of them (unintelligible) and none of them has more ten employees.

So that would seem to you something incredible, but the World Bank is asking these countries by law to recognize and to apply the international committee and accounting standard. (Unintelligible.) And we have to come back on the ground.

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With this reform taking place in November because the Council will work on this reform. I hope that we will within the international regulatory community we will reach a confident relationship.

I hope also we will have a better appointment with the small firms and with the developing nations.

Before to conclude, I just would like to tell you two short stories.

The first one is an IFAC story and the second one is an American-French story.

The first one. In December of 2001 there was a committee taking place in Paris. The IFAC Committee is chaired by a wonderful American woman, probably the best chair I've ever met, incredible woman.

When she started to chair this committee, the (unintelligible) between the different members were incredible, so many differences. And after discussion and discussion and discussion she was about to (unintelligible).

At that time (unintelligible) we said the same thing. We say (unintelligible)

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because we are just one family and they are going to try to adopt the same ethics code which will be the same basis for the American, for the French, for the German and so on. And that's okay.

And in September 2001, we had this incredible and terrible terrorist attack. And the 13th of September (unintelligible) asked for the role of this ethics code and the code was voted unanimously.

(Unintelligible.)

And let me tell you that. I'm just proud of our profession (unintelligible.)

I do believe that the world has to look at us as the example where walking from the last thirty years trying to have the common ways, common values, common way of walking, common standards.

And that is just as well because in IFAC none of the members is trying to take too much (unintelligible.)

And that is something I have to say in front of this American Council.

And my second story is an



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American-French story. I invited Barry - I don't want to say again too much about Barry because I just think that he's a great guy and he is also a friend. So (unintelligible.)

But I have developed a respect for what he is doing.

So I decided to invite Barry to speak in front of the French profession. And we went to Paris. That was just one year after 11th of September. It was last year September, 2002.

And Barry was in Paris and he made a perfect speech in front of the French profession. We were, I think, 1500. He was not walking around. He was more, he was behind the podium.

Let me have a side issue about Barry. (Unintelligible.)

And the day after we went out with Barry and we went out to visit an American cemetery from D-Day.

But let me come back to the American-French story.

And when we went out to the cemetery with Barry, it was - how do you call

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that? - a memory book. We put some lines in the memory book.

And Barry wrote just one word and I wrote three words. He wrote "proud," and I wrote "will never forget."

And the committee, I would like to leave you there, (unintelligible) because I'm just coming back in France, my country. It was (unintelligible) we will never forget, we will never forget what this nation did for us and none of the French people, we will never forget.

Thank you for your attention.

(Applause.)

CHAIRMAN EZZELL: Thank you, Rene.

Thank you for those words. There is no question looking forward we are going to have to continue to have a great working relationship on the international scene as convergence of accounting, auditing, all aspects of what we do continue to be a hot topic as well as the regulation of our profession, which does cut across national and country borders.

We, Rene, we appreciate our

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working relationship and our involvement with IFAC. We appreciate your leadership of IFAC and look forward to the opportunity to work cooperatively with you.

Thank you.

(The following is the submitted remarks of President Rene Ricol:

Distinguished guests, ladies and gentlemen.

May I first say what a pleasure it is to be with you here at this conference. I very much look forward to our discussions and to the insights all of you bring to this meeting.

A recent accounting publication reported that "the sanctity of the audit must be re-established." I couldn't agree with this statement more. Restoring the sanctity of the audit means that each and every auditor must carry out his or her responsibility with uncompromising integrity and professionalism. It means that we must remember at all times that the audit is designed to protect the public interest and that the public interest must be placed before any other motive. It is only in this way

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that confidence in financial reporting and auditing can be restored.

But how can we ensure that the public interest is put first?

The International Federation of Accountants has been addressing this issue with increasing vigor in recent months through the leadership of its Board and initiatives of its International Auditing and Assurance Standards Board. The IAASB is chaired by Dietz Martin, one of your own members. Diets's leadership has been instrumental in focusing the IAASB on its expanded public interest responsibilities.

I'd like to take a few minutes now to tell you about IFAC's recent public interest activities - activities which we at IFAC believe are fundamental to restoring confidence in the accountancy profession and in the work it produces.

IFAC engaged in three primary activities directly related to ensuring accountants' accountability to the public interest.

We commissioned an independent

2 task force or Rebuilding Confidence in Financial  
3 Reporting, to examine the causes for the loss of  
4 credibility and recommend how it can be remedied.  
5 We undertook initiatives to increase the  
6 transparency and strengthen IFAC's standard  
7 setting process. And we engaged a dialogue with  
8 regulators to identify their issues of concern  
9 and discuss realistic solutions to the problem as  
10 part of an IFAC reform process.

11 The task force on Rebuilding  
12 Confidence in Financial Reporting, chaired by  
13 John Crow, former Governor of the Bank of Canada,  
14 issued its report in August. It included  
15 recommendations for strengthening corporate  
16 governance, improving audit effectiveness and  
17 raising the standard of regulation of issuers.

18 The report emphasized that in  
19 order to restore confidence, action must be taken  
20 at all points along the information supply chain  
21 that delivers financial reporting to the market.

22 Corporate management and boards  
23 of directors, who have primary responsibility for  
24 financial reporting, as well as auditors,  
25 standard setters, regulators and other

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participants in the financial reporting process, such as lawyers, investment bankers, analysts and credit rating agencies, all have important roles to play and improvements in practices to make to restore credibility.

The report made several other specific recommendations.

Codes of conduct need to be put in place for all participants in the financial reporting process - including investment analysts and lawyers - and their compliance should be monitored.

Incentives to misstate financial information need to be reduced, and companies must refrain from forecasting profits with an unrealistic level of precision.

Audit effectiveness needs to be raised, primarily through greater attention to audit quality control processes.

IFAC has considered these and other recommendations in reviewing its own work program and is working to protect the public interest in a number of significant ways.

Together with its 155

2 professional accountancy bodies in 113 countries  
3 it is working to protect the public interest and  
4 raise the quality of practice worldwide. This is  
5 accomplished through standard-setting activities  
6 encompassing auditing and assurance, ethics,  
7 education and public sector accounting, as well  
8 as support for professional accountants in  
9 business and small and medium practices.

10 To reinforce the call for  
11 integrity, IFAC strengthened its Code of Ethics  
12 in 2001 and updated its independence rules to  
13 provide "principles-based" guidance to public  
14 accountants. Additionally, it is now in the  
15 process of adopting that "principles-based"  
16 approach to the remainder of the code, including  
17 guidance that should be applied by professional  
18 accountants in business. This will establish the  
19 global benchmark for all accountants.

20 In fact, the European Commission  
21 has supported the IFAC Code of Ethics by  
22 publishing its own recommendation on ethics with  
23 more than ninety-five percent equivalence to the  
24 IFAC Code.

25 We are also focused on

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establishing a more transparent and relevant standard-setting process, particularly with respect to activities of the International Auditing and Assurance Standards Board (IAASB). The Board's meetings are open to the public and its agendas and discussion papers are posted on IFAC's website.

We have also expanded the technical support to the IAASB so that we can move ahead more aggressively on developing guidance in those areas where the public interest is most critical.

The IAASB works closely with a Consultative Advisory Group, which includes representatives of financial statement users, regulatory groups, investors, and the public to obtain input on the development of its standards and other projects.

IAASB is also cooperating with national standard setters to achieve convergence. Moving forward, IFAC is recommending public interest oversight of IAASB activities to further enhance the credibility of the standards it develops and build public confidence in the work



2 of auditors.

3 IFAC fully recognizes that it is  
4 firms of practicing accountants that actually  
5 implement standards of auditing and ethics and  
6 quality control processes. Thus, IFAC actively  
7 supports the work of the Forum of Firms.  
8 Membership of the Forum is open to any firm that  
9 has transnational audit appointments or is  
10 interested in accepting such appointments and  
11 agrees to conform to the Forum's Quality  
12 Standards.

13 Quality Standards require member  
14 firms to comply with International Standards on  
15 Auditing in addition to relevant national  
16 standards of auditing, comply with the IFAC Code  
17 of Ethics, in addition to relevant national code  
18 of ethics, maintain training programs of relevant  
19 international developments, and maintain  
20 appropriate quality control standards and review  
21 regularly compliance with the above.

22 More than twenty firms, together  
23 responsible for the audit of ninety-five percent  
24 of the world's stock market capitalization, have  
25 applied to join. IFAC works with the Forum

2 through the Transnational Auditors Committee, an  
3 IFAC Committee, whose members are nominated by  
4 the Forum.

5 In addition to the Forum of  
6 Firms programs, IFAC has considered how we could  
7 more effectively involve member bodies in  
8 influencing the quality of services provided by  
9 firms, and recently undertook several other  
10 quality initiatives.

11 We are in the process of  
12 developing new Statements of Membership  
13 Obligations, which cover areas such as audit,  
14 ethics, education and quality assurance programs.  
15 Additionally, the IAASB is developing new quality  
16 control standards to be applied at the firm  
17 level.

18 The third and very significant  
19 initiative is IFAC's reform effort. IFAC has  
20 undertaken a self-assessment of its governance  
21 activities and regulatory responsibilities to  
22 determine how we can strengthen our role in  
23 ensuring that accountants worldwide fulfill their  
24 public interest responsibilities.

25 As part of this process, we have

2 engaged in ongoing dialogue with member bodies,  
3 firms, and regulators from around the world. We  
4 recently developed a consultation paper on  
5 "Proposals for Reform," which has received the  
6 support of international regulators. These  
7 proposals call for broadening public input into  
8 IFAC's activities and establishing a public  
9 interest oversight board to oversee IFAC's  
10 standard-setting activities.

11 The proposals also provide for  
12 ongoing dialogue with regulators and for  
13 regulators to recommend how accounting, auditing  
14 and ethics can contribute more effectively to  
15 international financial systems.

16 The Board is presenting the  
17 proposals to IFAC's Council in November. Assuming  
18 the proposals are approved, plans are to  
19 implement an oversight function in 2004.

20 Overall, through this  
21 combination of active working relationships with  
22 regulators, accountancy bodies and audit firms,  
23 together with IFAC's active cooperation with  
24 regional accountancy organizations, IFAC is  
25 ideally placed to deliver on its mission of

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    serving the public interest.

    Together with all of you, and the profession's commitment to integrity, we can move closer to the important goal of rebuilding confidence in financial reporting.

    Finally, we must remember that our profession has been built on the public's trust in us. Trust is vital. We must earn it every day in our dealings with clients, governments, regulators and various stakeholders.

    It requires a commitment to high ethical standards and most especially in integrity. By demonstrating our integrity every day in every client or business transaction, we can help to restore public confidence.

    Thank you for your attention and I welcome any questions you may have.)

    CHAIRMAN EZZELL: We now adjourn the AICPA's annual meeting for the year.

    (Which were all the proceedings at the 2003 Annual Meeting of Members, which was concluded at 2:40 o'clock p.m.)

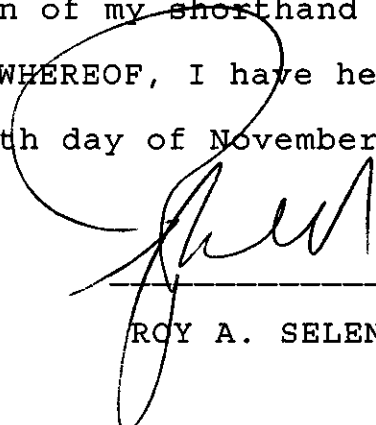
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I, ROY A. SELENSKE, a Certified Shorthand  
(Stenotype) Reporter and Notary Public  
within and for the State of New York, do  
hereby certify that the foregoing pages 1  
through 35 taken at the time and place  
aforesaid, is a true and correct  
transcription of my shorthand notes.

IN WITNESS WHEREOF, I have hereunto set my  
name this 30th day of November, 2003.



\_\_\_\_\_  
ROY A. SELENSKE, C.S.R.

\* \* \*