

**PRESS RELEASE**  
**From**  
**Financial Reporting Council (FRC)**

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**Subject: FRC signed contracts with three international standard setting organizations**

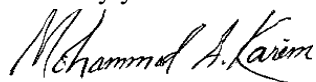
Financial Reporting Council (FRC), the government regulatory body for professional accountants and accountancy profession has recently signed contracts with 3 global accounting and auditing standard developing and setting organizations namely the IFRS Foundation, International Federation of Accountants (IFAC) and International Valuation Standards Council (IVSC). These standard setting bodies follow a thorough, transparent and participatory due process when issue any Standard, Practice Note or an Interpretation that helps companies better implement the Standards. At present, total 166 countries are involved in the process of adoption of IFRS; 170 members from 130 countries are using IFAC published auditing standards and IVSC consists of more than 130 member organizations from around the world.

IFRS Foundation develops and sets standards, interpretations for accounting and financial reporting, known as IFRS, IASs, IFRIC Interpretations. IFAC develops and sets standards, code of ethics, practice notes for Auditing, Assurance, Review, and other related services for professional accountants working in profession and in businesses most widely used and known as International Standards on Auditing (ISAs). IVSC develops and sets International Valuation Standards (IVS) for business and assets valuation services.

IFRS, ISAs, Code of Ethics have been in practice in Bangladesh accounting and auditing profession through the Institute of Chartered Accountants of Bangladesh (ICAB) for more than a decade. With the enactment of Financial Reporting Act (FRA) 2015 and signing the contracts with the global standard setting organizations, these standards are now being included into the national law. In addition to the standard compliance clauses in FRA, 2015, Companies Act 1994, Banking Companies Act 1991, MRA Act 2006, and Insurance Act 2010 have been amended through FRA requiring the relevant companies to comply with the Standards issued by FRC. Requirements, monitoring and reviewing of the compliances of high quality standards by legislative law and setting up a regulatory agency to effectively carry out the functions would definitely strengthen the Accounting and Auditing profession of Bangladesh. IVS for valuation of business and assets will be a new set of standards for valuation practices in Bangladesh.

Enactment of FRA and establishment of FRC in Bangladesh is a turning point of transition from Self-Regulation to Government regulation and oversight and is also a first of its kind within the SAARC countries. The purpose is to bring financial reporting and audit reporting activities of different corporate and business organizations, companies, also known as Public Interest Entities (PIEs) under a well-regulated structure in order to ensure high quality financial reporting and auditing with integrity, transparency and trustworthiness. This is a step forward to protect public interest, and address concerns of capital market stakeholders.

Sincerely yours'



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