

SEC to refocus on IFRS roadmap-official

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By [Emily Chasan](#)

NEW YORK (Reuters) - The U.S. Securities and Exchange Commission will make it a priority in the coming months to refocus on a proposed roadmap to move U.S. companies to international accounting standards, a top agency official said on Thursday.

"Turning back to the roadmap will be an important priority for us this fall," Jim Kroeker, the SEC's new chief accountant said in remarks to a New York State Society of CPAs conference in New York.

Last November, in one of the last major projects of the SEC under former Chairman Christopher Cox, the SEC staff released a proposed roadmap that would have U.S. companies filing financial results under International Financial Reporting Standards, or IFRS, by 2014, with the option for some companies to adopt the rules earlier.

Kroeker, who took up his post last month, said on Thursday that in the more than 200 comment letters the SEC has received on the proposal, it was "resoundingly clear" that people agree there should be a single set of global high-quality accounting standards, but there were striking differences in how different groups wanted to accomplish that goal.

Kroeker said the SEC staff, as "an important next step," would work on how to put into place various pillars and milestones to reach that goal.

IFRS is written by the London-based International Accounting Standards Board (IASB), while the traditional U.S. accounting rules -- known as U.S. Generally Accepted Accounting Principles (GAAP) -- are written by the Norwalk, Connecticut-based Financial Accounting Standards Board.

Kroeker noted two accounting rule-makers have been working to align both sets of rules over the past few years and recently accelerated certain projects to promote convergence.

But he urged those working to try to align U.S. and international accounting standards to avoid "a race to the bottom," where in a rush to converge the rules, accounting standard setters are urged to adopt the least controversial version of the rules, rather than the one that would best represent economic reality.

"A race to the bottom is an absolute concern I have," Kroeker said. "If we engage in a race to the bottom ultimately there will be no winner in that race."

(Reporting by Emily Chasan, editing by Maureen Bavdek)

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