



Press Release

German accounting standard setter adopts new structure

Internationalization a key focus of the GASC reorganization

(Berlin, 27 March 2003) The Members' Meeting of the German Accounting Standards Committee (GASC), the standard setter for financial accounting and reporting in Germany, has approved a far-reaching reorientation of the GASC. With a new executive leadership and a revised governance structure, the GASC aims to play a more active role in setting international standards and representing the interests and concerns of German business. The new Chairman of the GASC's Executive Board is Prof. Dr. Harald Wiedmann, Chairman of the Board of Management of the German arm of audit firm KPMG. Dr. Helmut Perlet (Allianz, Deputy Chairman) and Dr. Werner Brandt (SAP, Treasurer) were also elected to the three-member Executive Committee.

The GASC is adapting the focus of its work and its internal organization to align itself with the shifting global financial accounting and reporting environment. The GASC's key objective is to represent the interests and concerns of German business in international standard-setting bodies, such as the IASB and the FASB. "By international standards, Germany has high quality financial reporting, and this is due in particular to the GASC and its work in recent years", noted Prof. Dr. Harald Wiedmann, the new Chairman of the GASC's Executive Board. "However, the internationalization of accounting is making rapid progress, and this reorientation is our response to this challenge. The core objective of our work is to adequately represent the interests of German business in international standard-setting bodies. At the same time, we want to work together with the Federal Ministry of Justice on the further development of competitive national solutions".

Two developments have been driving the process of international change in financial accounting and reporting, as well as its impact on German companies. The first of these is the EU-wide legislation adopted in 2002 that will require (almost) all companies in Europe with listed equity or debt securities to prepare their consolidated financial statements in accordance with the International Accounting Standards (IASs). The second is the growing presence of German companies on US stock markets. This in turn is accompanied by an obligation to file annual and interim reports in accordance with United States Generally Accepted Accounting Principles (US GAAP), or at a minimum in the form of a reconciliation from national accounting standards or IASs.

The restructuring of the GASC also incorporates the realignment of standardization processes to match international best practice. In the future, this will see all phases in the development of accounting standards occurring in the public arena. For example, all parties affected by accounting standards, in particular companies, professional associations and academics, will be given an opportunity to comment.

[News-Archive](#)

[GASB - Newsletter](#)

Your email address:

Once the public discussion process has been wound up, the German Accounting Standards Board (GASB), the actual standard-setting body in the GASC, will then elaborate the statutory basis of the standards under the terms of its standardization mandate. "We believe that this revised standardization process will effectively integrate corporate needs and concerns with the necessary regulatory environment, enabling them to be implemented jointly", commented Prof. Dr. Wiedmann.

The shift in emphasis of the work of the GASC will be accompanied by the reorganization of its governance structure. The GASC is a private standard-setting organization that is currently supported and funded by 137 German companies and personal members. In future, it will be managed by an Executive Board of up to 14 members. As Chairman, Prof. Wiedmann succeeds Dr. Jürgen Krumnow (Deutsche Bank), who served in this capacity for several years. Prof. Wiedmann praised the achievements of his predecessor, noting that as a founding member of the GASC, Dr. Krumnow had played a major role in shaping the work of the standard setter since 1998, and had thus significantly influenced the high quality of German financial accounting and reporting. Another retiring GASC Board member is Dr. Werner Seifert (Deutsche Börse), formerly Deputy Chairman. Dr. Seifert too was "one of the driving forces behind German standard setting work", according to Prof. Wiedmann.

In addition to the three members of the Executive Committee, comprising Prof. Dr. Wiedmann (Chairman), Dr. Helmut Perlet (Deputy Chairman) and Dr. Werner Brandt (Treasurer), the other members of the DRSC's new Executive Board are: Prof. Dr. Clemens Börsig (Deutsche Bank), Prof. Dr. Adolf Coenenberg (University of Augsburg), Dr. Manfred Gentz (DaimlerChrysler), Karl-Ludwig Kley (Lufthansa), Heinz Joachim Neubürger (Siemens), Prof. Dr. Bernhard Pellens (Ruhr University of Bochum), Dr. Klaus Sturany (RWE) and Hans Wagener (PricewaterhouseCoopers). The Executive Board will shortly elect additional new members to the German Accounting Standards Board. Prof. Dr. Klaus Pohle (formerly CFO at Schering) is expected to be elected President.

For further information, please contact: Liesel Knorr, General Secretary, Tel. +49 (0) 30/206412-11