NEWS

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
(202) 272-2650

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COMMISSION TO CONSIDER RELEASES ON CODIFICATION OF FINANCIAL REPORTING POLICIES AND TOPICAL INDEX TO ACCOUNTING AND AUDITING ENFORCEMENT RELEASES

The Commission will consider, at an open meeting scheduled for Thursday, whether to codify its financial reporting policies; establish a new category of "Financial Reporting Releases"; and publish a topical index to Accounting and Auditing Enforcement Releases (AAERs).

The codification will have the effect of condensing existing Accounting Series Releases (ASRs) - representing thousands of pages and over 40 years of the Commission's history - into concise and more useful formats which should vastly increase their utility to accountants, issuers of securities and the public.

The meeting is scheduled to begin at 9:30 a.m. on Thursday, April 15, in the Commission Meeting Room, Room 825, at Commission headquarters, 500 North Capitol Street, Washington. Staff officials will participate in a briefing immediately following the meeting, in Room 876, to explain whatever action the Commission takes.

Since 1937, the Commission has issued over 300 ASRs which relate to accounting and auditing matters. It is now proposed to separate the ASRs into two broad categories. One category which consists of about 207 ASRs announces Commission rules and policies or interpretations regarding various financial matters. The issuance of the

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codification will in effect supersede all of the 207 previously issued non-enforcement related releases. In fact, no part of 136 of these ASRs has been included in the codification, since many of them have been previously rescinded and others do not contain material relevant to financial reporting today. The codification, therefore, consists of extractions from portions of the remaining 71 ASRs, and will stand on its own. There should be no need to refer to previous ASRs.

The remaining 100 ASRs out of the over 300 ASRs issued are enforcement related and have not been codified, and the Commission is considering in the release the publication of a topical index of these ASRs to facilitate research of certain of the Commission's enforcement actions relating to accounting and auditing matters. The topical index will be known as AAER No. 1.

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