

PRESS RELEASE

ESMA announces financial statements' enforcement priorities for 2013

The European Securities and Markets Authority (ESMA) has published its [European Common Enforcement Priorities](#) (Priorities) for 2013. These Priorities are to be used by European Economic Area (EEA) national authorities in their assessment of listed companies' 2013 financial statements.

ESMA has defined these Priorities in order to promote the consistent application of IFRS across the EEA. Listed companies and their auditors should take account of the areas set out in the Priorities when preparing and auditing the IFRS financial statements for the year ending 31 December 2013.

The Priorities identified refer to the application of IFRS in relation to:

- Impairment of non-financial assets;
- Measurement and disclosure of post-employment benefit obligations;
- Fair value measurement and disclosure;
- Disclosures related to significant accounting policies, judgements and estimates; and
- Measurement of financial instruments and disclosure of related risks.

Steven Maijor, ESMA Chair, said:

“ESMA, in setting out these enforcement priorities for listed companies financial statements, aims to ensure that the IFRS recognition, measurement and disclosure principles are consistently applied across the EEA.

“Consistent application of accounting standards is a key factor in ensuring the transparency and accuracy of the financial information which investors rely upon, and ultimately contributes to the proper functioning of Europe's capital markets.



“Finally, considering the focus on asset quality in the financial sector, listed financial institutions and their auditors should pay particular attention to properly measuring financial instruments and the accurate disclosure of related risks.”

ESMA and the national competent authorities will monitor the application of the IFRS requirements outlined in the Priorities, with national authorities incorporating them into their reviews and taking corrective actions where appropriate.

In addition to these Priorities, national authorities may also focus on other locally relevant areas as part of their review. Therefore, national enforcement processes may not be limited to the specific issues contained in this statement.

ESMA will collect data on how European listed entities have applied the Priorities and will publish its findings on these Priorities in early 2015. It expects to publish its findings on the 2012 Priorities in early 2014.



Notes for editors

1. [2013-1634 Public Statement - European common enforcement priorities for 2013 financial statements](#).
2. ESMA's founding Regulation no 1095/2010 states that ESMA shall act in the field of financial reporting, to ensure the effective and consistent application of European Securities and Markets legislation.
3. ESMA is an independent EU Authority that was established on 1 January 2011 and works closely with the other European Supervisory Authorities responsible for banking (EBA), and insurance and occupational pensions (EIOPA), and the European Systemic Risk Board (ESRB).
4. ESMA's mission is to enhance the protection of investors and promote stable and well-functioning financial markets in the European Union (EU). As an independent institution, ESMA achieves this aim by building a single rulebook for EU financial markets and ensuring its consistent application across the EU. ESMA contributes to the regulation of financial services firms with a pan-European reach, either through direct supervision or through the active co-ordination of national supervisory activity.

Further information:

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