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FOR IMMEDIATE RELEASE

**IMA Responds to Congressional Hearing on International Accounting Standards:
'Yes' to Convergence**

Montvale, N.J., November 5, 2007 – The following is a position statement from Paul A. Sharman, ACMA, president and CEO, Institute of Management Accountants (IMA®), in response to the United States Senate Committee on Banking, Housing, and Urban Affairs October 24, 2007 subcommittee hearing “International Accounting Standards: Opportunities, Challenges, and Global Convergence Issues.” IMA was invited to submit a position statement for inclusion in the Congressional Record by Senator Jack Reed.

IMA fully supports the rationalization and convergence of International Financial Reporting Standards (IFRS) and U.S. Generally Accepted Accounting Principles (GAAP), if the convergence supports the dual and related objectives of a) improving the quality of financial disclosures to protect the investments of shareholders seamlessly across international borders, and b) enabling businesses to focus on what they are intended to do – creating and growing shareholder wealth.

IMA especially applauds any efforts that will result in convergence of standards being more scalable, effective and efficient for small and medium-sized entities (i.e., “IFRS lite”). IMA has expressed concerns in recent years with financial reporting and related internal controls issues (i.e., SOX 404 compliance) that disproportionately impact small and medium-sized entities, an integral part of U.S. global competitiveness and business formation, typically accounting for 60 to 80 percent of net new jobs annually.

IMA’s Financial Reporting Committee (FRC) acts on behalf of IMA in commenting on proposed standards, and issues papers dealing with financial reporting topics that stem from standard-setting bodies such as the FASB, GASB, AICPA and IFAC. The FRC has expressed its views on the potential convergence of accounting standards through a comment letter on September 21, 2007 to the SEC, supporting its proposal to allow foreign private issuers to use IFRS without the requirement of reconciliation to U.S. GAAP. The committee also plans to issue a letter to express its views on the SEC’s proposal for U.S. companies to use IFRS on or before November 13, 2007.

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With a worldwide network of more than 60,000 professionals, IMA is the world’s leading organization dedicated to empowering accounting and finance professionals to drive business performance. IMA provides a dynamic forum for professionals to advance their careers through Certified Management Accountant (CMA®) certification, research, professional education, networking and advocacy of the highest ethical and professional standards. For more information about IMA, please visit www.imanet.org.

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