

Andrew Lennard
Financial Reporting Council
125 London wall
London
EC2Y 5AS

30 March 2017

Dear Andrew

FRC's corporate reporting research activities

We are pleased to respond to the consultation document on the above matter.

In terms of the general level of research commitment by FRC it is likely to be most productive if the resources available to the FRC are used in co-ordination with EFRAG, other national standards setters and other parties, given that all may be interested in influencing and assisting with the development of IFRS. There is a distinct possibility of duplication of work which needs to be considered. FRC must judge where its research might have most benefit and limit its activities to those issues where this will be significant.

We were interested in the four potential projects that were included in the document. The projects on variable and contingent consideration and that on non-exchange transactions seem to offer the most potential.

The problems of defined benefit pension schemes are significant and so need to be taken up by the IASB. If there is little urgency from that quarter then work by others needs to be done based on widespread input given that pension promises are very variable from country to country and so might benefit from a more collaborative approach than just an FRC project. We note that FASB were considering work in this area in their work plan consultation in 2016.

ACCA



+44 (0)20 7059 5000



info@accaglobal.com



www.accaglobal.com



The Adelphi 1/11 John Adam Street London WC2N 6AU United Kingdom

On the issue of intangibles some of the same considerations apply. We note again FASB interest potentially in a review of their relevant standards. The subject is very wide but significant. ACCA is interested and is proposing some research in this area and we would be happy to discuss this with you at some point.

We noted the reference in paragraph 1.11 that research by the FRC might be restricted to just one project. So in picking one of the four we would favour that on variable and contingent consideration.

On the other corporate reporting issues, these seem very much in FRC's area of interest, but the proposals seemed rather indistinct at this point and so difficult for us to comment on further.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Martin', with a large, stylized initial 'R'.

Richard Martin
Head of Corporate Reporting

