Setting the Standard

our Financial Reporting eNewsletter

July 2014 - November 2014

FRC

Editor's Note

Welcome to the latest edition of 'Setting the Standard', the FRC's electronic newsletter on financial reporting. Our mission is to promote high quality corporate governance and reporting to foster investment; financial reporting sits at the heart of that work. Developments in financial reporting have continued over the summer and into the autumn with activity ramping up in connection with the implementation of the EU Accounting Directive, where we have launched our consultation on new accounting standards for small entities. We have also launched our Clear and Concise initiative including a report by the Financial Reporting Lab. In other recent activity, we issued three finalised XBRL accounts taxonomies as well as the revised 2014 Corporate Governance Code and associated Guidance on Risk Management, Internal Control and Related Financial and Business Reporting. In Europe, there have been significant developments; the appointment of the Juncker Commission has been approved by the European Parliament and sees UK Commissioner Lord Hill put in charge of financial stability, financial services and capital markets union; and the restructuring of EFRAG as a result of the Maystadt recommendations is nearing completion. Membership of the new Board was confirmed on 31st October, with Roger Marshall, Chair of the FRC's Accounting Council, appointed acting President until a permanent appointment is made.

Anna Colban, Editor

European Developments

By Anthony Appleton

Review of IFRS in the EU

The consolidated financial statements of UK listed companies must be prepared in accordance with "EU-adopted International Financial Reporting Standards". The process for adoption into EU law of individual IFRSs is not always well understood. As the use of IFRS in the EU is currently under review by the European Commission and a key advisor to the Commission, the European Financial Reporting Advisory Group ("EFRAG") is being restructured, it is an opportune time to better understand this process and related current developments.

The IAS Regulation was enacted in Europe in 2002 requiring the use of IFRS in the preparation of consolidated financial statements of EU companies whose securities are traded on a regulated EU market, such as the London Stock Exchange. However, for the purpose of the Regulation, "IFRS" refers to those standards that have been published in the *Official Journal*; i.e. enshrined in European Law. These are the EU-adopted IFRS.

In this issue:

The procedure for adoption (or endorsement) once a new standard has been issued by the IASB is:

- EFRAG holds consultations, examines the potential impact and advises the Commission on endorsement.
- The Commission drafts an endorsement regulation.
- The Accounting Regulatory Committee (ARC), which is made up of government representatives from each of the Member States, votes and gives an opinion.
- The European Parliament and Council examine the standard.
- The Commission adopts the standard and publishes it in the Official Journal.

In assessing whether a particular IFRS should be adopted in the EU, the Regulation requires that it be consistent with the true and fair view, be conducive to the public good in Europe and meet basic criteria on the quality of information required for financial statements to meet users' needs. To date, other than temporary differences due to the time to review and adopt a new standard or different effective dates being set, the only difference between IFRS and EU-adopted IFRS has been a "carve-out" of a few sentences in IAS 39 that barred the use of a form of hedge accounting applied by a minority of European banks.

Commission review of the IAS Regulation

The Commission is currently reviewing the impact of applying IFRS in the EU, to assess whether the original objectives of the Regulation have been met. These included improvements in the efficiency of the single market and the EU capital market and to encourage the application of a single set of high-quality global accounting standards. The review will also assess whether these objectives are still relevant and identify possible areas for improvement.

The review includes an assessment of the financial impact of applying IFRS and a public consultation via a questionnaire addressing the costs and benefits of applying IFRS, the process for endorsing new standards and the implementation of the standards across Member States.

The review will also take account of the 2013 report, "*Should IFRS Standards be More "European"* by Mr Philippe Maystadt, former President of the European Investment Bank, following a request from former Commissioner Michel Barnier. Mr Maystadt recommended, amongst other things, that the adoption criterion that IFRS "are conducive to the European public good" should be clarified. The Commission has been seeking views on how this might best be done.

The results of the Commission's review will be published in late 2014 or early 2015.

The FRC's response to the Commission's questionnaire on the impact of applying IFRS in the EU can be viewed **here**. The deadline for responses has been extended to 7 November.

Transformation of EFRAG

Mr Maystadt also recommended that EFRAG be restructured so as to clarify the remit for its work, to have closer links with national accounting standard setters in Europe and to develop a coherent European voice for discussions with the IASB.

The new EFRAG will be constituted at the end of October and will have a new Board comprised of representatives from national standard setters, including the FRC, and pan-European stakeholder representative organisations, including Business Europe, the Federation of European Accountants (FEE) and the European Federation of Financial Analysts Societies (EFFAS).

We are looking forward to being at the heart of the EU endorsement process through representation on the EFRAG Board, further influencing the debate and future developments in IFRS.

Clear and Concise

By Deepa Raval

Introduction

The FRC's Clear & Concise (C&C) initiative is aimed at promoting good quality communication in annual reports. The project fits squarely into the FRC's mission to promote high quality corporate reporting to foster investment.

One of the overriding aims of the initiative is to ensure that the focus of the annual report remains on providing relevant information for investors.

The project brings together activities across the FRC, including the work of the Accounting and Reporting Policy Team, the Financial Reporting Lab ('Lab') and Corporate Reporting Review (CRR).

What have we done so far?

In June 2014, the FRC published its 'Guidance on the Strategic Report' which was the first step in the programme of activities. As well as setting out communication principles, the guidance encourages companies to consider the placement of information both within and outside the annual report.

One year on from the publication of the new Regulations for the strategic report and remuneration report, the Lab has published a report 'Towards Clear & Concise Reporting', providing insights on reporting over the last year. More detail on the Lab report is on page 5.

And in October, CRR published its 2014 annual report. Importantly, the report sets out CRR's views on disclosure of immaterial information and its observations on 'clutter' in annual reports.

Barriers to Clear & Concise

C&C builds on the FRC's cutting clutter agenda as there remain a number of real or perceived 'barriers' to C&C reporting. The most commonly cited ones are the number of disclosure requirements being introduced through regulation, the difficulties with applying materiality and legal challenges. To effect change will require collaboration by all those involved in the financial reporting process and as part of our work on the C&C initiative we will continue to explore some of these barriers.

Upcoming projects

As we look ahead, there are a number of areas of focus for the FRC including a project on corporate reporting in a digital world.

We are also continuing our influencing activities in the C&C reporting space. Most notably these include the IASB's Disclosure Initiative (see below for further information) and the UK implementation of the EU Directive on disclosure of non-financial and diversity information.

More information on the FRC's Clear & Concise reporting initiative and the work programme can be found at available at https://www.frc.org.uk/Our-Work/Headline-projects/Clear-Concise.aspx

Influencing IFRS

Cash Flow Statements

By Andrew Lennard

The FRC is supporting the IASB in its work on cash flow statements. This work, which forms part of the IASB's 'Principles of Disclosure' project, aims to develop proposals for improvement to IAS 7 *Statement of Cash Flows*. As well as a review of the extensive literature, our work has involved gathering the views of some thirty investors, including some from Germany and Japan. Possible improvements to IAS 7 are easy to identify: some options could be eliminated; and the definitions are vague.

However, there seems to be room for a more radical approach. One of the most valuable features of the cash flow statement is the reconciliation of profit to cash flow from operating activities. That reconciliation provides an alternative perspective on performance and can explain, for example, why a company can be profitable and yet need to raise fresh finance to sustain its operations. It also highlights information on changes in working capital. Arguably, this reconciliation should be required in all cases (under IAS 7 it is not required where a direct method cash flow statement is prepared). It also seems to be a good idea to follow the suggestion made by the Financial Reporting Lab to start the reconciliation with operating profit; this makes it much easier to follow.

In today's cash flow statement, the purchase of fixed assets is reported under 'investing activities'. Thus no cash outflows in respect of such assets are included in operating activities, which seems odd as most businesses need cash to replace their fixed assets at some point. Perhaps it would be better to include such expenditure within 'operating activities'. This would make the total of cash flow from operating activities close to 'free cash flow', which is widely used by analysts and other users of financial information.

Some suggest a distinction should be made between expenditure on fixed assets that simply replace existing assets and that which funds expansion. Such a distinction would clearly be valuable, but it is perhaps questionable whether it can be made rigorously enough to be included in the financial statements. This might suggest that it is best dealt with in the Strategic Report.

Standard setters have frequently expressed a preference for the direct method cash flow statement, but have not required it, as the cost of preparation appears to be prohibitive. The advantage of the direct method is that it provides more detailed information on cash flow from operating activities: for example, cash collected from customers, cash paid to suppliers, and cash paid to employees. Perhaps, however, a few line items could be required, and would provide benefits greater than the cost.

Over the coming months we will be considering further issues and discussing our thoughts with the IASB, which we hope will contribute to a Discussion Paper that will be available early next year. In the meantime, we would be delighted to hear from you if have any suggestions or views.

Edging Closer to a new Leases Standard

by Annette Davis

During 2014 the IASB and the FASB have been re-deliberating the responses to the Exposure Draft they issued in May 2013 on *Leases*. It is expected that a standard will be published in 2015 which will replace the existing standard IAS 17 *Leases*.

The intention is to change lease accounting so that a lessee recognises a right-of-use asset together with a lease liability for all leases (currently only finance leases are recognised on the balance sheet).

Although it is a joint project the two Boards have tentatively decided to support two different approaches, as follows:

- The IASB has decided on a single approach for lessee accounting. Under that approach, a lessee would account for all leases by recognising amortisation of the right of use asset separately from interest on the lease liability.

- Conversely, the FASB has decided on a different approach for lessee accounting, which distinguishes between leases and effective purchases of the underlying non-financial asset. Leases are distinguished from effective purchases based on the criteria used in IAS 17 *Leases*, to determine when the lessee has obtained control of the underlying asset. Purchased assets are accounted for in accordance with Topic 360 – *Property, Plant, and Equipment* or IAS 16 *Property, Plant and Equipment*. Under this approach all transfers of assets not qualifying as effective purchases are considered leases and accounted for under a single lessee model that recognizes a lease asset and lease liability at contract inception and a single lease expense measured generally on a straight-line basis over the lease term.

We have been closely monitoring the progress of this project and have undertaken a number of outreach activities, including two additional public consultations. A particular concern for stakeholders is that the standard might require lease accounting for contracts that are better reported as contracts for the provision of services. The results of these activities have been discussed with IASB members and staff and at the Accounting Standards Advisory Forum (ASAF) where Roger Marshall (Chairman of the Accounting Council) represents the UK.

IASB Disclosure Initiative

by Rosalind Szentpéteri

Annual reports have been increasing in size, yet many investors do not feel that all of the information provided is relevant, clearly communicated or easily understandable. In our view, some of the key obstacles to improving the quality and usefulness of financial reports are the tendency to 'play it safe' by including immaterial or boilerplate disclosures, and a compliance driven approach to reporting rather than a focus on communication.

The FRC's 2012 discussion paper *Thinking about Disclosures in a Broader Context* explored some of the issues around disclosures – including the application of materiality, placement, and principles for communication– and set out a 'road map' for developing a disclosure framework.

The IASB has launched a Disclosure Initiative project that aims to address these issues and drive improved disclosure in IFRS financial reporting. The Disclosure Initiative is made up of a number of implementation and research projects. The Principles of Disclosure project is a key strand of the Disclosure Initiative; it consists of a review of IAS 1, IAS 7 (see article on Cash Flow Statements) and IAS 8 with a view to developing a disclosure framework, and will be followed by a standards-level review of specific disclosure requirements to assess conflicts, duplication and overlaps.

In the shorter term, the IASB has proposed narrow-scope amendments to IAS 1 which aim to drive behavioural changes by emphasising the importance of the application of materiality and judgement to disclosure. The IASB has a research project on materiality which includes considering the need to issue guidance on the application of materiality. This would, however, be challenging due to the variety of legal interpretations of materiality across the jurisdictions that apply IFRS. The Disclosure Initiative also includes a project on the reconciliation of liabilities from financing activities to improve disclosure of restrictions on cash (net debt). This is an area where the FRC has identified significant investor demand for improvements.

The FRC welcomes the IASB's Disclosure Initiative and the IASB project forms part of our influencing activities within the FRC's Clear & Concise work programme (see page 2). Our responses to the IASB can be accessed here.

We believe that disclosure is an area where significant improvements to financial reporting can be made and we are encouraging the IASB to produce a principles-based framework for disclosures, allowing the flexibility for companies to communicate clearly and ensure that the information that is most important for investors is easily accessible and not obscured by immaterial or boilerplate information.

Endorsement Begins for IFRS 9 and IFRS 15

by Anthony Appleton

Following the recent publication of IFRS 9 *Financial Instruments* as a full standard and IFRS 15 *Revenue from contracts with customers*, the only remaining joint project between the IASB and FASB will be on accounting for leases; a new leasing standard is expected in the New Year (see above). However, as discussed in the lead article, before a UK company can apply these standards they will first need to be adopted by the European Union.

IFRS 15 steps out a five step model for determining the measurement of revenue and the timing of its recognition. The five steps are:

1. Identify the contract with the customer
2. Identify the performance obligations in the contract
3. Determine the total transaction price of the contract
4. Allocate the transaction price to individual performance obligations
5. Recognise revenue when or as the performance obligations are satisfied

EFRAG issued an Invitation to Comment on its Draft Endorsement Advice on 15 October 2014, with comments requested by 15 December 2014. EFRAG's draft advice is that the standard should be endorsed. The Invitation to Comment can be found at http://www.efrag.org/files/EFRAG%20public%20letters/Revenue%20Recognition/Draft_endorsement_advice.pdf

The Commission has not yet formally started the endorsement process for IFRS 9, though EFRAG staff have begun some initial analysis. IFRS 9 replaces IAS 39 *Financial Instruments: Recognition and Measurement*. The Standard includes requirements for the recognition, measurement, impairment and de-recognition of financial instruments and for general hedge accounting. The standard has been developed and released in phases, which are now complete.

Financial Reporting Lab

By Carl Renner & Thomas Toomse-Smith

Recently, the Lab published two reports and its second annual '*Reminders for the reporting season*'. The full reports can be found on the FRC's website: https://frc.org.uk/Lab/published-project-reports, and contain further insight and examples which companies may find helpful.

Towards Clear and Concise Reporting

In August, the Lab published a report based on observations made on how companies dealt with the significant changes in corporate reporting requirements introduced in 2013.

Companies made improvements by:

- thinking about the communication channels and matching users' needs with the level of detail presented;
- focusing disclosure on content which was most important to investors;

- considering materiality criteria and removing immaterial disclosures; and
- using layout to improve clarity, and cross-references to reduce duplication.

The report included practical steps companies can consider in the process of improvement. Key steps in a process of continual improvement include:

- planning the change: building momentum, getting leadership from the top of the organisation and deciding on the scope of change;
- managing the process: identifying who will make the changes, setting targets and getting board agreement;
- doing what is needed: starting with a blank piece of paper, ensuring that changes in business and regulation are reflected and making sure that the auditors are supportive of the changes; and
- evaluating the process: debriefing early, asking for feedback from investors, and reflecting how to make improvements continuous.

Accounting Policies and integration of related financial information

In July, the Lab published a report examining views on: content and placement of accounting policy disclosures; ordering, grouping and combining of notes to the financial statements; and integration of the financial review with the primary financial statements.

Investors have some clear messages for companies in relation to improving the prominence of significant accounting policies, and enhancing the quality of disclosures. However, views on placement of any non-significant policies differ between retail and institutional investors. Moving any non-significant policies to an appendix within the annual report may be a helpful compromise.

Investors want companies to use their judgement to determine their significant policies. As an aid to companies, the report includes a number of factors articulated by investors that, alone or together, may indicate significant policies.

Investors also suggest that companies do the following to improve the quality of the content of disclosures of significant policies:

- write using plain, understandable language;
- describe any judgements made in selecting the policy applied and the rationale for them;
- describe the company's application of policies (not only a summary of IFRS), including the estimation/judgements made and their significance to reported amounts; and,
- describe new IFRS requirements only if they significantly, or are likely to significantly, impact the financial statements, and present the impact in tabular format.

Reminders for the 2014 Reporting Season

The Lab issued its annual *Reminders for the reporting season 2014* in October. It summarises some of the key findings of the body of Lab work to date, and acts as a helpful reminder to the reporting community of changes that could be made to annual reports to improve communication with investors. As awareness of the Lab's work has grown over its three years of operating, companies should ensure suggestions made in the Lab's earlier reports are considered and that clear answers are provided to basic questions posed by investors, such as on debt and cash flows, highlighted in the *Reminders* document.

To indicate your interest in participating in any of our projects or to contact the Lab on anything else please use the Lab's email address: FinancialReportingLab@frc.org.uk.

UK GAAP update

by Jenny Carter

New Accounting Standards for Small entities are coming

Following the agreement of a new Accounting Directive in Europe, new accounting standards for small entities will be required in order to comply with changes in company law as the Directive is implemented in the UK and Republic of Ireland.

The FRC issued a consultation document *Accounting standards for small entities: Implementation of the EU Accounting Directive* on 1 September 2014, which is open for comment until 30 November 2014. BIS has also issued its consultation on the implementation of the Accounting Directive, including its proposal to raise the thresholds for entities to qualify as small (other eligibility criteria also apply). The proposed thresholds are that an entity must not exceed two of the following: turnover, £10.2million; balance sheet total, £5.1million; and number of employees, 50. The BIS consultation has now closed.

When we were developing new UK GAAP, and in particular FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, we decided not to propose more than those consequential amendments to the *Financial Reporting Standard for Smaller Entities* (FRSSE) that were necessary for it to operate within the new regime. The latest edition, incorporating these consequential amendments, is the FRSSE (effective January 2015) and it will be effective for accounting periods beginning on or after 1 January 2015. We decided not to make more changes to accounting standards for small entities at that time because we were aware that it was likely that the expected new Accounting Directive would result in significant change to the small companies' regime and we wanted to avoid two significant changes for small entities in quick succession. Despite this we received feedback on the future of the FRSSE during the development of FRS 102, with some respondents suggesting that, with the advent of FRS 102, perhaps the case for further simplification for small entities was weaker and small entities could also apply FRS 102.

That is what we are now proposing. Small entities will be included within the scope of FRS 102, with a new Section 1A *Small Entities* setting out the presentation and disclosure requirements that apply to them, and as a consequence the FRSSE will be withdrawn. These changes will take effect from the same date as the changes in legislation become effective; this is expected to be accounting periods beginning on or after 1 January 2016.

The Accounting Directive requires significant change to the small companies regime, setting out the maximum disclosure that can be required of small companies, but crucially continuing to require the financial statements to give a true and fair view. This means that directors of companies will need to consider whether additional disclosures are necessary, and if so, to provide them. One of the issues that stakeholders have raised with us so far, and which we will be considering, is how best we can provide guidance to small companies on areas where additional disclosure might be necessary. We will be aiming to develop a practical and proportionate solution, within the framework of the Accounting Directive.

Micro-entities

Although legislation enacting the micro-entities regime in the UK has been in place for almost a year now, and we have updated the FRSSE to accommodate it, this time of wider change to small company financial reporting offered an opportunity to consider whether a stand-alone standard for micro-entities was a better longer term solution. As a result we are now proposing a separate standard for micro-entities choosing to apply the micro-entities regime, which will incorporate the legal simplifications and exemptions with further simplifications to the measurement and recognition requirements, for example we are proposing that there is no requirement to provide for deferred tax. This new standard will be developed from FRS 102, ensuring a broadly consistent basis underlying all new UK GAAP accounting standards.

The new micro-entities standard, because it is based on existing legislation, should be available for early adoption once it has been issued.

Next steps

Please send responses to the consultation to ukfrs@frc.org.uk by 30 November 2014.

After considering the feedback to the Consultation Document we will develop Exposure Drafts that set out the proposals in more detail, including considering any potential transitional provisions. The Exposure Drafts are expected to be issued for comment in the first quarter of 2015 and we aim to issue the final standards in the summer of 2015.

XBRL Accounts Taxonomies Released

by Jennifer Guest

Release of XBRL Accounts Taxonomies in final form and related Guidance Material

Following transfer of responsibility to the Financial Reporting Council (FRC), the XBRL accounts tagging conventions ("taxonomies") have been updated and, after a period of consultation and re-deliberation, the FRC has now released the three taxonomies in final form for implementation from 1 January 2015 to coincide with when the new financial reporting standards have become mandatory.

These are the first taxonomies resulting from the project to improve the quality of electronic tagging of accounts and reflect UK reporting using EU adopted IFRS as well as the new financial reporting standards (FRS 101 and FRS 102) for the UK and Ireland. The taxonomies will enhance the quality of financial reporting in the UK and Ireland.

Taxonomies are used when tagging accounts for electronic filing and for other analytical purposes. Electronic tagging helps users of financial information in corporate reports to extract the information they want and analyse it more efficiently.

HMRC and Companies House are expected to adopt the taxonomies in due course for filings of accounts. The Irish Revenue Commissioners will also adopt these taxonomies in Ireland once the appropriate Irish requirements (extensions) are available.

The three taxonomies are available for viewing over the internet and can be downloaded as a zip file from the FRC website.

The three taxonomies are:

- FRS 101 – with key information document
- FRS 102 – with key information document
- Full EU adopted IFRS – with key information document

The taxonomies follow a similar approach in content, design and style to the existing UK GAAP and IFRS taxonomies that are currently used by UK organisations in submitting their accounts in iXBRL format. However, they contain some design improvements which should allow easier, fuller and more accurate tagging of accounts data in XBRL. Their content has been carefully developed to reflect expected reporting under the relevant standards. A Developers' Guide and Tagging Guide accompany the release of the taxonomies and can be downloaded from the FRC website.

The taxonomies may be viewed on the internet through the 'Yeti' viewer at https://uk-taxonomies-tdp.corefiling.com/yeti. Yeti provides access to each individual taxonomy plus an overview (through the 'core' view) showing the combined content of all three taxonomies. The latter view is purely for the convenience of those reviewing the taxonomies. No log in is required to see the taxonomies. A users guide is available on the FRC website.

A set of Consistency Checks documents that will aid developers, and preparers in creating checks on summation and consistent tagging of accounts are available also available on the FRC website

Expected consumers of XBRL information

The taxonomies are intended to support XBRL tagging of accounts which will meet the needs of a variety of users and consumers of financial reports, including:

1. Government departments which require business data for policy, statistical and other official purposes.
2. HMRC, which requires accounts information for tax risk analysis and for tax policy analysis and planning.
3. Investors, information companies, banks, credit agencies, other organisations and the public who may require company financial data in an efficient way from Companies House.

The design and content of the taxonomies are thus intended to meet the requirements of a broad range of consumers of financial information who may benefit from the availability of XBRL data, and to support increasing use of XBRL in future years – from 2015/2016 onwards.

Corporate Reporting Review

by Carol Page

Earlier this month the FRC published the findings of the Conduct Committee's corporate reporting review activity for the year to March 2014. The FRC's assessment that generally, and particularly for the larger public companies, the quality of reporting is good, is based on their review of some 271 sets of reports and accounts.

The report highlights ten areas of corporate reporting commonly raised with the 100 companies who were approached for further information and explanation about their reports and accounts. Following the changes to the narrative reporting requirements in 2013, these included the Strategic Report. 'Clear & Concise' was another new-comer to the summary of issues. The accounting detail of the matters raised is included in a separate Technical Presentation, published with the CRR annual report, which is available at https://frc.org.uk/Our-Work/Publications/Corporate-Reporting-Review/Technical-Findings-of-the-Conduct-Committee's-(1).pdf .

The report itself is written primarily for those with Board-level responsibility for accounts preparation and identifies the areas of focus for the forthcoming reporting season. These include the need to think ahead to the new accounting standards on revenue and consolidation that will shortly apply and which may have significant impact on companies' reporting and the systems they need in order to capture relevant information. Boards are also reminded of the FRC's press notice on 'exceptional items' and are encouraged to make a step change to the quality of disclosure of critical accounting judgments and estimates around the descriptions of their accounting policies.

The report includes the names of those companies who published a Committee reference during the year at the request of the Conduct Committee. This year, as last, the disclosure was agreed on a voluntary basis with the companies concerned. Next year, following the recent publication of revised operating procedures for the Conduct Committee's corporate reporting review activities, disclosure will be made as a matter of course. The Conduct Committee will, however, continue to share its proposed disclosure with the relevant companies..

Spotlight on our Accounting Council

The FRC's Accounting Council has ten Members, including a mix of auditors, preparers, investor representatives and an academic. We will be shining the spotlight on its Members over the next few issues of Setting the Standard, starting with:

Roger Marshall
Chairman

Roger Marshall is the non-executive Chair of the Accounting Council. He spent much of his career in PricewaterhouseCoopers, where he was an audit partner in London and Zurich and led the audits of a number of FTSE and other large multinational audits. Roger chaired PwC's Global Audit Policy Board in 2003-2007 and its global Corporate Reporting Task Force in 2008-2009. He left PwC in 2009 and now serves on several Boards and committees including Old Mutual plc where he is Chair of the Audit Committee.

Roger is also a member of the IASB's Accounting Standards Advisory Forum (ASAF) and has recently been appointed as a Member of the Board of the restructured EFRAG and acting President.

Liz Murrall
Member

Liz Murrall is Director Stewardship and Reporting at IMA, the trade body representing the UK asset management industry. IMA members include independent fund managers, the asset management arms of retail banks, life insurers, investment banks and occupational pension scheme managers. They are responsible for the management of approximately £5 trillion of assets (based in the UK, Europe and elsewhere) and manage holdings amounting to 30% of the domestic equity market.

At IMA, Liz is responsible for developing and representing IMA's position on policy issues affecting asset managers as institutional investors in companies, including the obligations of companies and the rights of investors. She chairs the International Corporate Governance Network's Accounting and Auditing Practices Committee, and is a member of the CBI Companies Committee, the ICAEW Financial Reporting Committee and the FTSE Policy Group. Until the end of 2013 Liz represented UK institutional investors on the IASB's IFRS Advisory Council.

Before IMA, Liz worked at a number of the main accounting practices providing consulting services to variety of financial services clients. She was also responsible for the review of the regulatory regime for custody at the Securities and Investments Board, then the lead City regulator, and investigated the management of the Maxwell pension funds at IMRO, the fund management industry's regulator at that time.

Open for Comment

UK GAAP

Accounting Standards for small entities: Implementation of the EU Accounting Directive — comment period ends **30 November 2014**

FRED 55: Draft Amendments to FRS 102 Pension Obligations — comment period ends **21 November 2014**

IFRS

Discussion Paper: *Reporting the Financial Effects of Rate Regulation* — comment period ends **15 January 2015**

Exposure Draft: *Recognition of Deferred Tax Assets for Unrealised Losses* (Proposed amendments to IAS 12) — comment period ends **18 December 2014**

Recently Issued

UK GAAP

Amendments to FRS 101 and FRS 102

XBRL taxonomies

IFRS

Feedback Report on Results of the additional public consultation on lessee accounting

Feedback Statement on The Role of the Business Model in Financial Statements Research Paper

Financial Reporting Lab

Accounting policies and integration of related financial information

Clear and Concise Reporting

Reminders for the Reporting Season 2014

Corporate Reporting Review

Annual Report 2014

Technical Presentation 2014