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For the attention of Jenny Carter at [ukfrs@frc.org.uk](mailto:ukfrs@frc.org.uk)

31 March 2016

Dear Sirs,

**Exposure Draft: FRED 63 Draft amendments to FRS 101 *Reduced Disclosure Framework* – 2015/16 cycle**

**Introduction**

Mazars, the integrated international accountancy, auditing and advisory organisation with more than 17,000 professionals in 77 countries, welcomes the opportunity to provide our comments on the FRC's exposure draft issued in December 2015 and titled FRED 63 Draft amendments to FRS 101 *Reduced Disclosure Framework* – 2015/16 cycle.

**Responses to specific questions**

*Q1: The principles for determining whether disclosure exemptions from EU-adopted IFRS should be available in FRS 101 are set out in paragraph 9 of the Accounting Council's Advice. These are relevance, cost considerations and avoiding gold plating.*

*Qualifying entities have limited external users of the financial statements. These external users are likely to be providers of credit with a greater focus on information that supports the statement of financial position of the qualifying entity, when compared with detailed analysis of performance as required by some of the disclosures in IFRS 15 'Revenue from Contracts with Customers'. Do you agree?*

We agree with the principles for determining whether disclosure exemptions from EU-adopted IFRS should be available in FRS 101.

*Q2: Do you consider that additional refinements could be made to the principles set out in paragraph 9 of the Accounting Council's Advice that, when applied, would help to increase further the cost-effectiveness of FRS 101?*

We do not consider that additional refinements should be made to the principles.

*Q3: Do you agree with the amendments proposed to FRS 101? If not, why not?*

We agree with the amendments proposed to FRS 101 that provide disclosure exemptions in relation to IFRS 15 *Revenue from Contracts with Customers*. However, a number of the other disclosure exemptions, for example in relation to IFRS 2 *Share-based Payment*, IFRS 7 *Financial Instruments: Disclosures*, IFRS 13 *Fair Value Measurement* and IAS 36 *Impairment of Assets*, may only be taken provided that equivalent disclosures are included in the consolidated financial statements and we would suggest consideration is given to making this the case for these disclosure exemptions.

We agree with the amendments proposed to FRS 101 that clarify a legal requirement relating to the order in which the notes to the financial statements are presented.

*Q4: In relation to the Consultation stage impact assessment do you have any comments on the costs and benefits identified? Please provide evidence to support your views of the quantifiable costs or benefits of these proposals.*

We agree with the conclusion of the Consultation Stage Impact Assessment.

If you would like to discuss our response with us please do not hesitate to contact Steven Brice on 0207 063 4414.

Yours sincerely



**Mazars LLP**