

Your reference: FRED 57
Our reference: 85/350

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Ms Mei Ashelford
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Dear Ms Ashelford

FRED 57 – Draft amendments to FRS 101 Reduced Disclosure Framework (2014/15 Cycle)

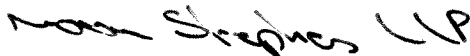
Moore Stephens LLP is pleased to respond to the FRC on the draft amendments to FRS 101.

We support the amendments to FRS 101, but have reservations on when the FRC should consider the disclosure requirements and possible exemptions therefrom arising from IFRS 15 Revenue from Contracts with Customers.

Attached to this letter you will find Appendix 1 with our comments to the specific questions raised in the exposure draft.

If you wish to discuss any matters raised in this letter then please contact David Chopping, Partner (+44 (0) 207 651 1050) or Jamie Tomlin, Senior Technical Manager (+ 44 (0) 207 651 1674).

Yours faithfully



Moore Stephens LLP

Appendix 1

Response to FRED 57 – Draft amendments to FRS 101 Reduced Disclosure Framework (2014/15 Cycle)

Questions 1 IAS 24 *Related Party Disclosures*

See the proposed amendments to paragraph 8(j) of FRS 101 and paragraphs 13 to 15 of the Accounting Councils Advice.

Do you agree with the proposed amendments to permit an exemption against the requirements of paragraph 18A of IAS 24 related party disclosures?

If not, why not?

We agree with the proposed amendments to permit the exemption of the disclosure of amounts incurred for the provision of key management personnel services that are provided by a separate management entity.

Question 2 IFRS 1 *First-time Adoption of International Financial Reporting Standards*

See the proposed insertion of paragraph 7A into FRS 101 and paragraphs 22 to 23 of the Accounting Councils Advice.

Do you agree with the proposed amendment to permit an exemption from the requirement of paragraphs 6 and 21 of IFRS 1 *First-time Adoption of International Financial Reporting Standards* to present an opening statement of financial position on transition?

If not, why not?

We agree with the proposed amendment to permit an exemption from the requirements of paragraphs 6 and 21 as set out above.

Question 3 *IFRS 15 Revenue*

See paragraphs 16 to 18 of the Accounting Council's Advice.

Do you agree that at this early stage, no exemption should be permitted in FRS 101 from the disclosure requirements of IFRS 15 Revenue from Contracts with Customers given that its effective date is not until 1 January 2017, and that for FRS 101 IFRS 15 should be revisited once preparers, users and auditors have had more experience of the required disclosures and are in a better position to assess whether exemptions against all or some of the disclosure requirements of IFRS 15 would be appropriate?

If not, why not?

We do not agree that the FRC should wait until preparers, users and auditors have had some experience before revisiting whether any disclosure exemptions may be appropriate.

Whilst we do not believe that the FRC needs at this stage to determine what exemptions, if any, should be available following the introduction of IFRS 15, we do believe that the FRC should consider this before the effective date.

If the FRC waits until preparers, users and auditors have had some experience of IFRS 15 this could lead to the situation whereby preparers must comply with the disclosure requirements in the standard in their entirety for a period, but with, possibly, reduced disclosure in a subsequent period should the FRC permit exemptions.

Question 4 IFRS 9 *Financial Instruments*

See paragraphs 19 to 21 of the Accounting Council's Advice.

IFRS 9 *Financial Instruments* amends the requirements of IFRS 7 *Financial Instruments: Disclosures*

Do you agree that no amendments should be made to the existing exemptions permitted in FRS 101 that allow non-financial institutions exemptions against the disclosure requirements of IFRS 7 (and IFRS 13 Fair Value Measurement)?

If not, why not?

We agree that no amendments should be made to the existing exemptions from the disclosure requirements of IFRS 7 and IFRS 13 for non-financial institutions.