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30 October 2023

**Re: FRED 84 Draft amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”) - Supplier finance arrangements (“FRED 84”)**

Dear Mrs Carter,

On behalf of RSM, a leading provider of audit, tax and consulting services to middle market leaders, globally, with over 4,900 partners and staff operating from 31 locations throughout the UK, we are pleased to comment on FRED 84.

We are supportive of the proposals in FRED 84 to introduce additional disclosures to FRS 102 in respect of supplier finance arrangements and the proposed timeframe for the introduction of the amendments to FRS 102.

We are supportive of the proposed disclosures in FRED 84, the transition requirements and the proposed effective date.

Our comments and detailed responses to the questions set out in the Invitation to comment section of FRED 84 are set out in the appendix to this letter.

We would be pleased to respond to any questions the FRC or its staff may have about any of our response. If you have any questions or comments, please do not hesitate to contact Paul Merris.

Yours sincerely,

*RSM UK TAX AND ACCOUNTING LIMITED*

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**Detailed response**

Our responses do not consider the proposed changes insofar as they relate to entities incorporated in the Republic of Ireland.

**Question 1**

**Do you agree with the introduction of the proposed disclosure requirements in relation to supplier finance arrangements into FRS 102? If not, why not?**

We agree with the introduction of the proposed disclosure requirements in relation to supplier finance arrangements, which are broadly consistent with the amendments introduced into IAS 7 *Statement of Cash Flows*.

**Question 2**

**Do you believe that the disclosure required by sub-paragraph 7.20C(b)(ii) will provide useful information to users, proportionate to the cost and effort involved for preparers?**

We believe that the disclosure required by sub-paragraph 7.20C(b)(ii) will provide useful information to financial statement users, proportionate to the cost and effort involved for preparers. Whilst some of the information for the disclosures is reliant on the finance providers, we believe that this information should be readily available, particularly given the amendments to IFRS Accounting Standards.

**Question 3**

**Do you agree with the proposed effective date for these amendments? If not, what difficulties do you foresee?**

We agree with the proposed effective date of 1 January 2025 for the proposed amendments. We do not foresee any difficulties with preparers obtaining the necessary information to comply with the disclosures, particularly in light of the paragraph 1.37 of FRED 84 providing transitional relief for comparative disclosures.

**Question 4**

**Do you have any comments on the consultation stage impact assessment, including those relating to assumptions, sources of relevant data, and the costs and benefits that have been identified and assessed? Please provide evidence to support your views.**

We have no comments to make on the consultation stage impact assessment.

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