

IFRS Foundation  
30 Cannon Street  
London EC4M 6XH

[commentletters@ifrs.org](mailto:commentletters@ifrs.org)

30 November 2015

Dear Sirs,

**IFRS Foundation Request for Views - Trustees' Review of Structure and Effectiveness: Issues for the Review**

***Introduction***

We are the Quoted Companies Alliance, the independent membership organisation that champions the interests of small to mid-size quoted companies. Their individual market capitalisations tend to be below £500m.

The Quoted Companies Alliance is a founder member of EuropeanIssuers, which represents over 9,000 quoted companies in fourteen European countries.

The Quoted Companies Alliance Financial Reporting Expert Group has examined your proposals and advised on this response. A list of members of the Expert Group is at Appendix A.

***Response***

We welcome the IFRS Foundation Trustee's initiative to review the structure and effectiveness of the organisation.

We particularly welcome the consideration given in the consultation paper (paragraph 18) to the European Commission's Capital Markets Union (CMU) Action Plan, as we feel this raises important questions regarding the cost of IFRS compliance for small and mid-size quoted companies. We encourage the IASB to engage positively with the European Commission on the CMU Action Plan.

In our response to the CMU Green Paper consultation, we highlighted that there should be more representation of small and mid-size quoted companies within the governance structures of ESMA, EFRAG, IASB and other key institutions.

We continue to believe that this will help these regulators to create proportionate rules at the right time. In that sense, we would welcome that the Foundation considered and encouraged the role of stakeholders representing small and mid-size quoted companies on the IASB and other advisory stakeholder groups to the IASB, such as the Global Preparers Forum.

The Quoted Companies Alliance is the independent membership organisation that champions the interests of small to mid-size quoted companies.

A company limited by guarantee registered in England  
Registration Number: 4025281

We have responded in more detail below to the questions most relevant for our members.

***Responses to specific questions***

**Q2 Do you agree with the proposal that the IASB should play an active role in developments in wider corporate reporting through the co-operation outlined above?**

We agree that the IASB should play an active role in wider developments in corporate reporting though it should remain mindful of the purpose of financial statements as set out in the Conceptual Framework. To avoid disclosure overload, the IASB should resist calls for annual reports and accounts, whose main purpose is to report historic financial information to stakeholders, to include a wider range of information that could be provided in another way (such as on a company's website).

**Q9 What are your views on the current specification regarding the provision of an appropriate balance of professional backgrounds? Do you believe that any change is necessary and, if so, what would you suggest and why?**

We consider it vital that the trustees have a variety of professional backgrounds. When considering the appropriate balance, consideration should be given to ensuring there is a trustee with a background from small or mid-size quoted companies. These companies are, numerically, the greatest users of IFRS and changes often impact disproportionately on them. Having a trustee with this experience would provide greater balance to the Foundation.

Yours faithfully,



Tim Ward  
Chief Executive

**Quoted Companies Alliance Financial Reporting Expert Group**

<b>Matthew Stallabrass (Chairman)</b>	<b>Crowe Clark Whitehill LLP</b>
Joseph Archer	PKF Littlejohn LLP
Edward Beale	Western Selection Plc
Donna Caira	Saffery Champness
Anthony Carey	Mazars LLP
Ian Davies	Vislink PLC
Anna Draper	BDO LLP
Jack Easton	UHY Hacker Young
Matthew Howells	Smith & Williamson LLP
Gary Jones	Grant Thornton UK LLP
Shalini Kashyap	EY
Jonathan Lowe	RSM
Amy Shephard	Deloitte LLP
Nigel Smethers	One Media iP Group PLC
Andrew Westbrook	RSM