

Jenny Carter  
Financial Reporting Council  
8<sup>th</sup> Floor  
125 London Wall  
London  
EC2Y 5AS

[ukfrs@frc.org.uk](mailto:ukfrs@frc.org.uk)

17 November 2014

Dear Ms Carter,

**FRC Consultation – FRED 55 Draft Amendments to FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* – Pension obligations**

***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 European **Issuers**, 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 opportunity to respond to this consultation. We are supportive of the proposed amendments. We believe that these changes allow for clarity while minimising risks for companies.

***Responses to specific questions***

**Q1 Do you agree that FRS 102 should be amended to clarify that an entity is not required to recognise any additional liabilities to reflect an agreement with a defined benefit plan to fund a deficit, where the entity has already measured and recognised its defined benefit obligation/asset in accordance with paragraphs 28.15 and 28.18 (and additionally for assets, paragraph 28.22) of FRS 102, even though this may differ from the accounting required by entities applying EU-adopted IFRS? If not, why not?**

Yes, we agree.

We note that there have been different interpretations of FRS 102 and believe that the FRC is right to clarify the position. We are pleased that the FRC have clarified the position in a clear and proportionate manner that will cause minimal disruption to companies current reporting.

**Q2 Do you agree with the proposed new paragraph 28.15A of FRS 102 and the other proposed amendments to FRS 102? If not, why not?**

Yes, we agree.

If you would like to discuss any of our response in more detail, we would be happy to attend a meeting.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'T. Ward', with a horizontal line extending to the right.

Tim Ward  
Chief Executive

**Quoted Companies Alliance Financial Reporting Expert Group**

<b>Matthew Stallabrass (Chairman)</b>	<b>Crowe Clark Whitehill LLP</b>
Jonathan Lowe	Baker Tilly
Paul Watts	
Nick Winters	
Anna Draper	BDO LLP
Joseph Archer	Crowe Clark Whitehill LLP
Bill Farren	Deloitte LLP
Ian Smith	
David Gray	DHG Management
Shalini Kashyap	EY
Gary Jones	Grant Thornton UK LLP
Anthony Carey	Mazars LLP
David Pugh	Nationwide Accident Repair Services plc
Nigel Smethers	One Media IP Group plc
Niraj Patel	Saffery Champness
Matthew Howells	Smith & Williamson LLP
Jack Easton	UHY Hacker Young
Ian Davies	Vislink PLC
Edward Beale	Western Selection Plc