

IFRS Foundation
30 Cannon Street
London EC4M 6XH

commentletters@ifrs.org

25 March 2015

Dear Sirs,

**Exposure Draft ED/2014/5 – Classification and Measurement of Share-based Payment Transactions:
Proposed amendments to IFRS 2**

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 agree with the proposed amendments to the IASB Exposure Draft detailing proposed amendments to IFRS 2 Share-based payment. However, we note that, while the additional clarifications are helpful, this remains a very complex standard – our members, small and mid-size quoted companies, routinely point to IFRS 2 as being difficult to apply and resulting in a high number of disclosures. Therefore, we believe that the standard should be fundamentally reviewed by the IASB. We encourage the IASB to thoroughly assess how the standard is being applied in practice and address its continued lack of clarity (as alluded to in the Discussion Forum's Financial Reporting Disclosure Feedback Statement (May 2013)).

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

Yours faithfully,



Tim Ward
Chief Executive

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

Quoted Companies Alliance Financial Reporting Expert Group

Matthew Stallabrass (Chairman)	Crowe Clark Whitehill LLP
Jonathan Lowe	Baker Tilly
Paul Watts	
Nick Winters	
Anna Draper	BDO LLP
Amy Shephard	Deloitte LLP
David Gray	DHG Management
ShaliniKashyap	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
Joseph Archer	PKF Littlejohn LLP
Donna Caira	SafferyChampness
Matthew Howells	Smith & Williamson LLP
Jack Easton	UHY Hacker Young
Ian Davies	Vislink PLC
Edward Beale	Western Selection Plc