

IFRS Foundation  
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[info@ifrs.org](mailto:info@ifrs.org)

17 December 2012

Dear Sirs,

### **Proposal to Establish an Accounting Standards Advisory Forum**

#### ***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 have provided comments on Question 2 below:

**Question 2—The Foundation believes that, in order to be effective, the ASAF needs to be compact in size, but large enough to allow for an appropriate global representation. Do you agree with the proposed size and composition as set out in paragraphs 6.7–6.13? Why or why not?**

We believe that it is vital that the IFRS Foundation and the International Accounting Standards Board engages directly and regularly with both small and mid-size quoted companies that use IFRS and their investors on the development and implementation of standards.

Small and mid-size quoted companies account for 85% of all quoted companies in the UK and are creators of growth and employment throughout Europe. As such, it is important that standards and regulatory requirements are appropriate and proportionate for small and mid-size quoted companies and that this constituency is properly represented on the IFRS Foundation's groups and committees, as well as the International Accounting Standards Board itself.

We believe it is important for the IFRS Foundation to get direct views of constituents and so we would query why the Accounting Standards Advisory Forum is restricted to representatives of standard setters.

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

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Small and mid-size quoted companies and their investors must play a larger role in the standards setting process of the IFRS Foundation and International Accounting Standards Board. We ask the IFRS Foundation to consider whether having direct representation of small and mid-size quoted companies on the Accounting Standards Advisory Forum is an appropriate way to achieve this, and if not, how it plans to ensure that it engages with this important sector.

If you would like to discuss this further, we would be happy to attend a meeting.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'TW', is positioned above the typed name.

Tim Ward

Chief Executive

**Quoted Companies Alliance Financial Reporting Expert Group**

Anthony Carey (Chairman)	Mazars LLP
Matthew Stallabrass (Deputy Chairman)	Crowe Clark Whitehill LLP
Anthony Appleton	PKF (UK) LLP
Peter Chidgey	BDO LLP
Jack Easton	UHY Hacker Young
Ian Smith/Bill Farren	Deloitte LLP
Jonathan Ford	PricewaterhouseCoopers LLP
David Gray	DHG Management
Usman Hamid	Ernst & Young LLP
Matthew Howells	Smith & Williamson Limited
Nick Winters/James Lole	RSM Tenon Group PLC
Niraj Patel	Saffery Champness
Nigel Smethers	One Media Publishing
Chris Smith	Grant Thornton UK LLP
Paul Watts/Jonathan Lowe	Baker Tilly