

30<sup>th</sup> November 2015

International Accounting Standards Board  
30 Cannon Street  
London EC4M 6XH  
UK

Cc: EFRAG

Dear Sir/Madam

## **IFRS Foundation Trustees' Review of Structure and Effectiveness**

Norsk RegnskapsStiftelse (the Norwegian Accounting Standards Board) welcomes the opportunity to submit its views on the IFRS Foundation Trustees' Review of Structure and Effectiveness.

### **Q1 Considering the consequences referred to above, what are your views on whether the IASB should extend its remit beyond the current focus of the organisation to develop Standards; in particular for entities in the private, not-for-profit sector?**

The IASB should concentrate its efforts on the development of standards for corporate entities, whether publically traded or private, with the main focus on publically traded entities. IASB should not expand its activities to other sectors, neither the public sector nor the not-for-profit sector.

### **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?**

The IASB should be a cooperative partner to instances that develop non-financial corporate reporting, but it should not take on further responsibilities with respect to this development.

### **Q3 Do you agree with the Foundation's strategy with regard to the IFRS Taxonomy?**

### **Q4 How can the IASB best support regulators in their efforts to improve digital access to general purpose financial reports to investors and other users?**

We think that the IASB's activities and responsibilities with respect to the development of digital reporting should be limited. We support that the IASB is not engaged in the development of the computer language (XBRL). We also do not see the justification for the IASB's work with the Taxonomy and recommend its interruption. We agree that a top-down taxonomy development might enhance the uniformity of reporting systems, but in this technical field, due process is difficult to achieve. We therefore recommend that the work with the Taxonomy is left to others to carry on.

### **Q5 Do you have any views or comments on whether there are any other steps the IASB should take to ensure that it factors into its thinking changes in technology in ways in which it can maintain the relevance of IFRS?**

We think the IASB shall focus on regulating the content of general purpose financial statements, and restrain from engaging in by what means the financial statements are reported, recorded or published. If changes in technology with other means of reporting in the future remove the need for accounting standards, so be it.

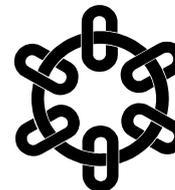
### **Q6 What are your views on what the Foundation is doing to encourage the consistent application of IFRS? Considering resourcing and other limitations, do you think that there is anything more that the Foundation could and should be doing in this area?**

We generally think that the Foundation does a good job to promote consistent application of IFRS. We especially encourage dialogue with national authorities and standard-setters, the continuance of a moderate interpretation activity subject to due process, and post-implementation reviews. However, we do not support the IASBs educational activities, because they are hard to separate from standard-

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setting. We do favor educational activities on IFRS, but they should be carried out by a body separate from the IASB and the Foundation.

**Q7 Do you have any suggestions as to how the functioning of the three-tier structure of the governance of the Foundation might be improved?**

We think that the three-tier structure functions reasonably well.

**Q8 What are your views on the overall geographical distribution of Trustees and how it might be determined? Do you agree with the proposal to increase the number of ‘at large’ Trustee appointments from two to five?**

**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 support the existing principles regarding the geographical distribution of Trustees and their distribution on competencies in the proposal. We have no objection to the increase of the “at large” quota.

**Q10 Do you agree with the proposal to change the focus and frequency of reviews of strategy and effectiveness, as set out above?**

We agree.

**Q11 Do you agree with the proposals to reduce the size of the IASB as set out in the Constitution from 16 members to 13 and the revised geographical distribution?**

We agree.

**Q12 Do you agree with the proposal to delete Section 27 and to amend the wording of Section 25 of the Constitution on the balance of backgrounds on the IASB?**

**Q13 Do you agree with the proposal to amend Section 31 of the Constitution on the terms of reappointment of IASB members as outlined above?**

We agree with both proposals for the most part. However, we think “market and/or financial regulators” should not be added in the wording of section 25. We agree that this is a relevant competence/background, but that it is not necessary to have in the IASB at all times.

**Q14 Do you have any comments on the Foundation’s funding model as outlined above? Do you have any suggestions as to how the functioning of the funding model might be strengthened, taking into consideration the limitations on funding?**

We support the Trustee’s efforts to ensure the financing of the Foundation. We also support that more accounting firms are asked to contribute to the Foundation. However, we think that the IASB’s independence of accounting firms, and especially the Big 4, should be better documented than what is done in the current Trustees’ review. This should be done in a future review.

**Q15 Should the Trustees consider any other issues as part of this review of the structure and effectiveness of the Foundation? If so, what?**

No, we think that the Trustees have struck a reasonable balance.

Please do not hesitate to contact us if you would like to discuss any specific issues addressed in our response.

Yours faithfully,

Erlend Kvaal  
Chairman of the Technical Committee on IFRS of Norsk RegnskapsStiftelse

CC: EFRAG