



International Accounting Standards Board
30 Cannon Street
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United Kingdom

Via email: commentletters@ifrs.org

10th December 2015

Dear Members of the IASB

Request for views of the Trustees' Review of Structure and Effectiveness: Issues for the Review

The Corporate Reporting Users' Forum welcomes the opportunity to comment on the Request for views of the *IFRS Foundation Trustees' Review of Structure and Effectiveness: Issues for the Review*. Our response is set out below, but will not be at a detailed level, and will not respond to each individual question.

First, we note that our views expressed in 2011 in response to the previous future strategy review stand (we have attached our letters of January and August of that year). We note that the IASB has become markedly more responsive to the views of users over the time since we wrote those letters. While we are sometimes frustrated by the slow speed with which the Board addresses issues raised and produces its standards, we recognise that in part this is a product of the appropriate due process requirements built into its approach.

In particular, we firmly support the role of the trustees in ensuring the independence of the IASB such that it is free to develop high quality accounting standards. While we recognise the importance of the political accountability of the IASB, as embodied by the Monitoring Board, it is critical to investor confidence in the quality of standards and the process by which they are produced that the Board's independence is maintained. We remain convinced of the critical role of the Trustees in ensuring this.

It follows from this that we firmly believe that the role of the Trustees must remain to hold the Board accountable for maintaining due process in the setting of its standards. The Trustees must not, in our view, open questions about the substance of standards arrived at through that process.

We support the shrinking of the IASB itself. We believe that this will help its effectiveness as a decision-making body. We have long indicated our view that the Board should be populated on the basis of quality and ability to create the highest quality accounting standards; we remain of the view



that a geographic requirement for the Board is an irrelevance. On the other hand, given its role in the accountability process, geographic requirements for the Trustees make more sense.

An ongoing frustration for users is the slow speed at which the IASB is able to proceed with developing standards and addressing the issues we and others raise. We recognise that the IASB itself is frustrated by its limited resources. It is thus clear to us that the Board's remit should not be extended: it should remain focused on producing financial reporting standards for publicly listed companies. There is much work still to do in this respect and the Board should not strain its limited resources by extending beyond this, whether into considering other entities, or into expending significant time developing standards for other areas of reporting. In a similar way, users generally struggle to have confidence that XBRL will significantly enhance their processes, and so would not press for limited resources to be devoted to this area.

About the Corporate Reporting Users' Forum (CRUF)

The CRUF was set up in 2005 by users of financial reports to be an open forum for learning about and responding to the many accounting and regulatory changes that affect corporate reporting. In particular, participants are keen to have a fuller input into the deliberations of accounting standard setters and regulators. CRUF participants include buy and sell-side analysts, credit ratings analysts, fund managers and corporate governance professionals. Participants focus on equity and fixed income markets. The Forum includes individuals with global or regional responsibilities and from around the world, including Australia, Canada, France, Germany, Hong Kong, India, Japan, New Zealand, South Africa, UK and USA.

The CRUF is a discussion forum. Different individuals take leadership in discussions on different topics and in the initial drafting of representations. In our meetings around the world, we seek to explore and understand the differences in opinions of participants. The CRUF does not seek to achieve consensus views, but instead we focus on why reasonable participants can have different positions. Furthermore, it would not be correct to assume that those individuals who do not participate in a given initiative disagree with that initiative. This response is a summary of the range of opinions discussed at the CRUF meetings held globally. Local country differences of opinion are noted where applicable.

Participants take part in CRUF discussions and joint representations as individuals, not as representatives of their employer organizations. Accordingly, we sign this letter in our individual capacity as participants of the Corporate Reporting Users' Forum and not as representatives of our



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respective organizations. The participants in the Forum that have specifically endorsed this response are listed below.

(Signatures)

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Jane Fuller, FSIP
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The Corporate Reporting Users' Forum

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