



**ICAC Comments on EFRAG's Bulletin on Accountability and the objective of financial reporting**

(i) Are there any arguments for and against the objective of accountability that are not discussed in this Bulletin?

ICAC is of the view that a debate on Accountability by itself is a very wide and general matter, so that if there is will to open the discussion it should be first defined what is understood by “accountability” or “stewardship”, in order to focus the rest of its development.

Indeed accountability is a very important element when talking about the presentation of financial reports. The concept “accountability” might be considered inherent to “reporting”. It is difficult not supporting the idea that accountability is an essential part of financial reporting.

Nevertheless, from the reading of the Bulletin it seems that it shows a plurality of ideas and arguments, but it does not give concrete conclusions, it leaves the reader with a very abstract compound of ideas. There is not an evident cost-effect relation on its output.

(ii) do you believe that the objective of accountability is appropriately reflected in the existing conceptual Framework? if not, how should the Framework be amended?

ICAC believes that the objective of accountability is appropriately reflected in the existing conceptual Framework.

(iii) do you have any other comments on this Bulletin?

ICAC shares the reasoning of paragraph 19 of the Bulletin.

Maybe, one of the conclusions that we might have obtained from the Bulletin and its examples (ie. Costs of acquisition in business combinations) is that the real debate is not on whether accountability is more or not-more important than as it is reflected on the actual Conceptual Framework; the real debate is on whether transactions/operations should be recognized, if assets or liabilities should be recognized and how they should be measured. It is our belief that the best way of



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reinforcing accountability is that accounting standards guarantee that transactions (obligations, related party transactions, business combinations...etc) are presented on the financial reports as they really occur so that “users” can have the information they need. The debate here is on the recognition and measurement of assets and liabilities.

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