

The Corporate Reporting Review Team Secretary
Financial Reporting Council
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By email: crrconsultation@frc.org.uk

29 May 2014

Dear Sirs

Consultation Paper: Revised operating procedures for reviewing corporate reporting

We welcome the opportunity to comment on the FRC's consultation on proposed revisions to the operating procedures for reviewing corporate reporting.

The Institute of Chartered Secretaries and Administrators (ICSA) is the professional body that qualifies Chartered Secretaries. As company secretaries, our members have a key role in their companies' corporate reporting and they frequently take overall responsibility for the production of annual reports. ICSA is also at the forefront of innovation in corporate reporting and recognises excellence in reporting through its annual Excellence in Governance Awards. These Awards promote best practice in corporate reporting and since they begin in 2009 we have seen a substantial increase in the overall standard of corporate reporting.

ICSA and its members are therefore well placed to understand the issues around corporate reporting and comment on the proposed changes to your operating procedures for reviewing corporate reporting.

In our response we have made some general comments, followed by our responses to your specific questions.

1. General Comments

Overall, we very much support the proposed amendments to the operating procedures. We support the additional transparency over Corporate Reporting Review activities and the



Conduct Committee's exchanges with companies. It is our view that such transparency is potentially helpful in two ways. It provides valuable information for other companies to understand and avoid potential errors in corporate reporting and it is helpful in demonstrating the level of monitoring and challenge carried out by the FRC's Corporate Reporting Review activities.

2. Responses to specific questions

Q1 Do you support the description of the Committee Reference and the proposals in paragraphs 67 and 68?

Yes. We support the description of the Committee Reference. We think this will achieve an appropriate level of transparency from companies when significant corrections or improvements are required following Committee intervention.

We also support the proposal that the Committee Reference disclosure by companies (in their Audit Committee reports or elsewhere in the annual report) should be clear as to the nature of the change required, how the issue has been resolved, and details of whether or not the Committee's enquiries are fully concluded. We also agree that companies should be expected to invite the Committee to comment on Committee Reference disclosures, prior to publication in annual reports.

Q2 Do you support our proposal to identify companies who have published a Committee Reference in the Committee's next annual report?

Yes. We support this proposal. We think it is appropriate for the Committee's annual report to identify companies that have published a Committee Reference during the year. We agree that investors and potential investors would benefit from the additional clarity and assurance over regulatory outcomes, and we also think that greater visibility of improvements required in corporate reporting will assist companies in ensuring their own governance and reporting is of a high standard.

We hope you find our comments helpful and would be happy to expand on any of these points should you wish to discuss them further.

Yours faithfully



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