

Accounting & Reporting Policy Team  
Financial Reporting Council  
8<sup>th</sup> Floor  
125 London Wall  
London  
EC2Y 5AS  
3<sup>rd</sup> April 2023

Dear Sir / Madam,

### **FRED 82 consultation**

In a recent webcasts hosted by KPMG and PWC I was made aware of your proposals in FRED 82 and that these proposals were open for consultation. I would imagine virtually every UK company currently reporting under FRS 102 was unaware of these proposals or the fact that there was a consultation open if we hadn't been alerted to this by the audit firms.

After the difficulties we have faced over the last few years from Covid, inflation, slowing economic growth and imminently increasing corporation tax in addition to the normal difficulty of conducting business in the UK with increasing regulation the last thing UK business needs is wholesale reform of FRS102.

Our Group contains 18 UK companies reporting under FRS 102. Although the Group reports under IFRS we made the decision to report under FRS 102 for these companies as these reporting requirements were commensurate and suitable for their size and operation.

These proposals, principally the imposition of IFRS 16 Leases, will add nothing to our businesses or our understanding of their performance. There will be direct costs associated with the purchase of suitable software and consultancy fees and reduction in management resources to accommodate this wholly unnecessary compliance distraction. It will add cost and complexity with no discernible value.

In the unlikely event that UK companies wish to adopt the more onerous reporting requirements under IFRS they could adopt these as their standard. Your proposals seek to impose this standard on all companies. I would urge you to reconsider.



Company Secretary, London Security plc