



## Financial Reporting Council

### The ABI's response to the FRC's draft Plan & Budget 2013/14

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1. The ABI is the voice of insurance, representing the general insurance, protection, investment and long-term savings industry. It was formed in 1985 to represent the whole of the industry and today has over 300 members, accounting for some 90% of premiums in the UK.
2. We are grateful for the opportunity to comment on the FRC's *Draft Plan & Budget 2013/14*.

#### ABI comments

3. We share the FRC's belief that good governance and reporting support investment and growth, and we agree overall with its proposed priorities and engagement strategy. Its new three year planning horizon is also helpful.
4. We welcome in particular the FRC's emphasis on the stewardship aspect to the investor perspective, as this has not always been given the priority it deserves. We also highlight the importance of European company law developments. We look forward to engaging further with the FRC as these and other projects develop.
5. We agree with the corporate reporting projects listed, and we particularly support the innovative work of the Financial Reporting Lab (which, as an approach might be used more widely – including outside the FRC) and the FRC's aim to improve narrative reporting. But we would be concerned if it were not also to engage further with the IASB's:
  - further development of IFRS 9, which is so significant both in relation to UK financial institutions and other corporates, and for the globalisation of standards; and
  - review of the IFRS for SMEs, given its underpinning to UK GAAP.
6. We support the emphasis in the FRC on influencing international developments. We would welcome more information on how the FRC will carry out this aspect of its engagement strategy. It is important that the FRC:
  - actively participates in international forums, amongst which we emphasise the importance of the ESMA (in the light of its

substantially increased resources), the IASB's Accounting Standards Advisory Council, and the EFRAG;

- reflects UK interests as fully as possible and liaises effectively with other UK participants in international debates.

7. We have no comments on the FRC's draft budget and funding projections for 2013/14, nor on its proposed levies for 2013/14.

Association of British Insurers  
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