INSIDE TRACK 48

ACCOUNTING STANDARDS BOARD

Improving pensions disclosures

In May, the ASB issued two exposure drafts for the price of one, containing proposals to improve the disclosures for defined benefit pension schemes. Project Director Michelle Crisp gives an outline.

The proposals comprise an amendment to Financial Reporting Statement (FRS) 17 - *Retirement Benefits* and a proposed new Reporting Statement *Retirement Benefits - Disclosures*.

Since FRS 17 became fully effective in January 2005 some commentators have expressed a concern that the existing disclosures set out in the standard do not provide sufficient information to allow users to assess the risks and rewards in defined benefit schemes. These comments, combined with changes in UK pension regulation that have occurred since FRS 17 was first published, prompted the ASB to undertake a short-term review of the disclosures requirements set out in FRS 17.

The aim of the review is to see whether disclosures for defined benefit schemes can be improved in the short-term. This review is distinct from the wider research project for pension accounting announced by the ASB in October 2005 (see page 2 for a progress report).

The ASB asked its Pensions Advisory Panel and European pensions working group for their assistance with this short-term project. They provided the ASB with recommendations of areas where disclosures for defined benefit schemes could be improved.

Amendment to FRS 17 - Retirement Benefits

The ASB is proposing to replace the disclosure requirements set out in FRS 17 with those of International Accounting Standard (IAS) 19 *Employee Benefits*. This will achieve convergence with IAS 19 and address some of the concerns noted by commentators. In proposing to converge the disclosures requirements the ASB took into consideration that the International Accounting Standards Board (IASB) last reviewed IAS 19 in December 2004 following a review of national standards on accounting for post-employment benefits.

The significant additional disclosures required by the proposed amendment to IAS 19 include:

- the principal assumptions used as at the balance sheet date. FRS 17 currently requires information regarding the main financial assumptions. Where applicable this will require mortality rates to be disclosed;
- an analysis of opening and closing scheme liabilities and scheme assets showing separately, if applicable, the movements in scheme liabilities and scheme assets; and
- an analysis of scheme liabilities into amounts arising from schemes that are wholly unfunded and amounts arising from schemes that are wholly or partly funded.

Draft Reporting Statement

The ASB is also proposing a new Reporting Statement. The Reporting Statement aims to complement the disclosures proposed in the amendment to FRS 17 and to address concerns raised by commentators.

The draft Reporting Statement is designed as a formulation of best practice; it is intended to have persuasive rather than mandatory force. In proposing a voluntary Reporting Statement the ASB considered that the extent of the disclosures provided in financial statements would be assessed by the directors of the reporting entity. The extent of disclosure would depend on the significance of the entity's defined benefits schemes and its exposure to risks arising from those schemes.

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Improving pensions disclosures

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The draft Statement sets out six principles to be considered when providing disclosures for defined benefit schemes. The principles address the following areas:

- the relationship between the entity and trustees (managers) of defined benefit schemes;
- the principal assumptions used to measure scheme liabilities;
- the sensitivity of scheme liabilities to changes in the principal assumptions used to measure scheme liabilities;
- how the liabilities arising from a defined benefit scheme are measured;
- future funding requirements of defined benefit schemes; and
- the nature and extent of risks arising from the assets held by the defined benefit scheme.

Invitation to Comment

In its Invitation to Comment the ASB notes that in setting out its proposals it took into consideration the new statutory regime in the UK. In connection with this it considered whether the Pension Protection Fund Levy introduced to fund compensation payable to members of eligible defined benefit schemes in the event of a qualifying insolvency event should be disclosed. In addition the ASB considered whether disclosure should be made of the amount of compensation that the Pension Protection Fund would be required to pay in the event of the sponsoring employer becoming insolvent. The ASB decided not to propose disclosure of these two amounts but would welcome comments on its proposals.

The ASB is also inviting comments on its proposal to disclose the buy-out cost at the balance sheet date with a suitable insurance company. The ASB notes in its invitation to comment that it has considered a number of alternative points of view on the potential benefits of this disclosure and invites the views of constituents before finalising the draft Reporting Statement.

The ASB has requested comments on its proposals by 11 September 2006.

Accounting for Pensions

Project Director Hans Nailor provides a progress report on this important project.

As reported previously in *Inside Track*, the ASB is undertaking a major research project into accounting for pensions. In addition, the European Financial Reporting Advisory Group (EFRAG) and European national standard setters have agreed to work more closely together so as to enable Europe as a whole to participate more fully in the development of global standards. These co-ordinated proactive activities are referred to by the acronym 'PAAinE', which stands for 'Proactive Accounting Activities in Europe'. Accounting for pensions was selected as a PAAinE project, which the ASB is leading. The ASB is being assisted in this project by a Pensions Advisory Panel appointed by the Board and a pan-European Working Group selected by EFRAG.

A project update *Discussion Summary 30 June 2006* has been added to the ASB's website www.frc.org.uk/asb/technical/projects/project0065.html. In addition, in June staff of the ASB presented on the project to a meeting of the IASB and a meeting of European national standard setters.

An objective of the project is to contribute to the development of principles-based accounting standards on accounting for pensions and other post-retirement benefits. Our starting point for a principles-based approach is the IASB's *Framework*. The *Framework* is, however, currently being revised under a joint project of the IASB and FASB to develop a common conceptual framework (see article on page 3). Changes being considered to the definitions of assets and liabilities, the emergence of 'stand-ready' obligations in the recognition of liabilities, the reporting entity concept, control criteria for consolidation and the basis for measuring assets and liabilities are all highly relevant to our work.

The project update reports on discussions relating to:

- defining the benefits that are within the scope of the project;
- defining the liability that arises from the obligation to deliver benefits (ie what future events should be included);
- defining the assets and liabilities when a separate fund is established; and
- considering whether funds should be consolidated.

It should be treated as work-in-progress towards a discussion paper and, accordingly, the views expressed are tentative and will be developed as the project progresses.

In the initial part of the project we have considered *what* should be reflected in the measurement of liabilities, before going on to address *how* the measurement should be done. We take a fresh look the thorny issues of whether future salary increases should be reflected in the liability when benefits are linked to future salary growth and whether the liability should include so-called discretionary benefits.

Conceptual framework: the debate starts for real

The IASB and US FASB have, this month, issued a preliminary views discussion paper on the first phase of their joint project to revisit their conceptual frameworks. Acting Technical Director and Secretary David Loweth gives a summary of the big issues that will need to be debated.

As reported previously in *Inside Track*, the goal of the IASB and FASB project is to develop a common conceptual framework that both Boards can use in developing new and revised accounting standards. The ASB continues to monitor closely the project and we will provide updates on developments.

The first discussion paper sets out the preliminary views of the IASB and the FASB on the objective of financial reporting and the qualities that make the information useful for decision-making. While the framework is not an accounting standard, it will form the basis for the development of future standards and so will have far-reaching practical implications. The proposals in this first phase will also influence later phases of the project, for example measurement, where the debate on fair value has already started in earnest.

While much of the discussion paper covers ground that is already reflected in the UK *Statement of Principles for Financial Reporting*, the ASB has concerns with a number of the proposals which it will be considering further during the comment period, which runs to 3 November.

The objective of financial reporting

The major issue for the ASB is the proposal that the objective of financial reporting should focus only on decision-usefulness, with stewardship being subsumed within this rather than being referred to as a specific part of the objective, or a separate objective. In the ASB's *Statement of Principles* the objective refers specifically to stewardship.

The IASB and FASB acknowledge that providing information using in assessing management's stewardship is of significant interest to users of financial reports who are interested in making resource allocation decisions. However, two IASB Board members disagree with the proposal and have set out an alternative view in the discussion paper to argue that stewardship should be identified as a separate objective. This alternative view reflects the concerns expressed by constituents in the UK. One of the purposes of financial reporting is to provide shareholders with the information they need to make decisions as owners of the business. These decisions are not merely whether to hold shares, or buy more, but include their rights, as owners, to change the direction of the business.

Financial statements, or financial reporting?

The focus of the IASB and FASB discussion paper is on financial reporting. The two Boards have concluded that the objective should be broad enough to encompass information that might eventually be provided by financial reporting outside the financial statements. Consideration of specific issues concerning the boundaries of financial reporting and distinctions between financial statements and other parts of financial reporting is to be deferred to a later phase of the project.

While the ASB's *Statement of Principles* refers to 'financial reporting' in its title, its purpose is stated clearly as setting out the principles that should underlie the preparation and presentation of general purpose financial statements. The IASB and FASB state clearly that financial statements are a central element of financial reporting, but there are concerns that widening the application of the framework to encompass all financial reporting will give rise to problems, in that it may be attempting to outline the concepts that underpin two fundamentally different things: financial statements and financial reporting.

Who should be the primary users?

The IASB and FASB have identified as the primary users of financial reports "present and potential investors and creditors, and their advisors". In the ASB's *Statement of Principles*, the defining class of user is identified as "present and potential investors", which is narrower than that proposed by the two Boards. Some constituents believe that the definition of a primary user should be narrowed still further to focus on the existing shareholders in a company.

Qualitative characteristics: whither reliability?

The main change in the discussion paper is the proposal to replace reliability with faithful representation. The IASB and FASB are proposing this change on the grounds that there have have been "longstanding problems with the qualitative characteristic of *reliability*" and the existence of a variety of notions of what the concept means.

The IASB and FASB take the view that the use of the term faithful representation better conveys what the framework means by reliability. However, concerns have been expressed as to whether the change is simply one of terminology, or something more substantial, in particular when considering the Boards' proposal not to identify substance over form as a component of faithful representation. The current IASB *Framework* includes substance over form as a component of reliability, but the proposal from the Boards is to drop this reference in the converged framework, on the grounds that it would be redundant, given that the quality of faithful representation is incompatible with representations that subordinate substance to form.

The Boards are proposing to introduce the notion of verifiability as a

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Conceptual framework: the debate starts for real

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component of faithful representation. Verifiability implies that different qualified observers would reach general consensus, if not complete agreement, on information in financial reports. One IASB Board member has written an alternative view to stress that the description of verifiability should additionally specify that any consensus should be based on reliable evidence.

What about public benefit entities?
The IASB and the FASB project is focusing initially on for-profit entities in the private sector. The Boards plan to consider the applicability of the concepts to other entities at a later stage, rather than continuously throughout the project.

The ASB is participating in a group of chairs and senior staff members of standard-setters (the others being from Australia, Canada and New Zealand) that is monitoring the applicability to not-for-profit entities in the private and public sector (ie public benefit entities) of the concepts proposed in the preliminary views discussion paper. A report on key issues is available on the website at http://www.frc.org.uk/asb/technical/projects/project0061.html.

On the objective of financial reporting, the report highlights three issues:

- an insufficient emphasis on accountability/stewardship;
- a need to broaden the identified users and establish an alternative primary user group; and
- the inappropriateness of the pervasive cash flow focus.

Some of these issues are also pertinent to the proposed qualitative characteristics.

To facilitate debate on the issues raised in the IASB and FASB discussion paper, the ASB is to hold a public meeting in London on the morning of Thursday 21 September 2006 on the proposals in the preliminary views discussion paper. The event will be open to the public, but places are limited and will be allocated on a first-come, first-served basis. Anyone interested in attending should indicate their interest by e-mailing Mary Evans at the ASB on m.evans@frc-asb.org.uk.

ASB Convergence strategy - still thinking about it

As reported in *Inside Track 47*, the ASB's strategy for convergence with International Financial Reporting Standards (IFRS) has generated a lot of debate, but no easy solution. David Loweth provides an update.

Since the last edition of *Inside Track*, the ASB has continued to consider what its strategy should be for bringing UK and Irish standards into line with IFRS. On 10 May, the ASB issued a press release setting out the Board's tentative proposals and seeking the views of constituents.

The ASB's current thinking, on which it is seeking views, is:

1. All UK Public Quoted and other publicly accountable companies would be required to apply full IFRS, irrespective of turnover and whether they present group accounts or not. This would mean that approximately another 1,000 to 1,500 companies would be require to report under IFRS.

2. The use of the ASB's Financial Reporting Standard for Smaller Entities (FRSSE), which enables small entities to take advantage of simplified requirements, would be extended beyond small companies to include medium-sized entities. This would mean that approximately another 30,000 companies would be able to use the FRSSE.

3. UK subsidiaries of group companies that apply full IFRS would also be required to apply full IFRS in respect of measurement and recognition, but with reduced disclosure requirements (yet to be defined). This would affect approximately 14,000 companies.

4. There has not yet been a decision on companies that do not fall within 1, 2 or 3 above. There are approximately 7,000 companies in this "gap". The alternatives seem to be (i) extend the application of the FRSSE further, (ii) apply IFRS to more companies, (iii) maintain UK GAAP for them, or (iv) some combination of these three alternatives.

The Board requested comments on the above proposals by 31 July. The responses will be analysed over the summer period.

On 19 June, the tentative proposals were discussed at a public roundtable meeting the ASB hosted in Dublin. Participants recognised the difficulties in choosing an option for convergence and no magic solutions were provided. But there were some views expressed on the desire to avoid having three tiers of standards and some support for the proposal to raise the level of applicability of the FRSSE to incorporate medium-sized entities. A general view the ASB is getting is that final decisions on convergence cannot be made until there is a much clearer understanding of the outcome of the IASB project on an IFRS for Small and Medium-sized Entities (SMEs). An Exposure Draft of the SME IFRS is expected in the autumn.

Update on Current projects

Heritage Assets

The comment period for the ASB's Discussion Paper *Heritage Assets: can accounting do better?* closed on 31 May with almost 70 responses received. The aim of the proposals is to improve the consistency and transparency of the financial reporting of heritage assets - principally the collections held by museums and galleries.

The Committee on Accounting for Public-benefit Entities (CAPE) and the Board considered the responses in July and noted widespread discontent amongst respondents with the current accounting requirements. They also noted a high level of support for the proposals in the Discussion Paper which include significant new disclosure requirements.

The Board is therefore exploring the possibility of issuing an accounting standard based on its proposals. It is hoped that an exposure draft will be issued in the autumn and that the new standard will be available for adoption in financial statements for years ending 31 March 2007.

The Board will also continue to work closely with the International Public Sector Accounting Standards Board (IPSASB), whose Consultation Paper on heritage assets included, in full, the ASB Discussion Paper. The comment period for the IPSASB Paper closed on 30 June.

Interpretation of the Statement of Principles for Public Benefit Entities

As reported previously in Inside Track, ASB staff are taking forward further work on the proposed Interpretation. To help with this work a sub-group of the CAPE has been established to consider further capital grants and liabilities. These are recognised to be the two most difficult issues.

CAPE and the Board were provided at their July meetings with an update of the sub-group's work. The aim is for further work to be carried out during the summer with a final draft of the Interpretation available in the autumn. On the international front, IPSASB has decided to take forward a collaborative project with National Standard-Setters (including the ASB) and other bodies to develop a conceptual framework for public sector entities. The ASB's work on the Interpretation should provide a useful input to the project, which will take some years to complete.

Borrowing costs

The IASB recently issued a proposed amendment to IAS 23 *Borrowing Costs* that would remove the option for expensing all borrowing costs and require the capitalisation of those costs that related to the period of production of an asset. The ASB does not intend to amend the UK standard, FRS 15 *Tangible fixed Assets* as this is not a converged standard; FRS 15 will therefore continue to permit entities to choose between capitalisation and expense of borrowing costs.

Leases

The IASB has recently decided to add a project on lease accounting to its main agenda. This project will cover both lessee and lessor accounting, and will affect property leases as well as equipment leases. This project will be a joint project with the FASB. Proposals will be issued in a discussion paper, planned for 2008, and are likely to build on the proposals developed in the recent joint IASB/ASB research project, for a single model for all leases that recognised as asset the lessee's right of use of the physical asset over the period of the lease. These proposals were themselves developed from earlier discussion papers prepared by the G4+1 group in 1996 and 1999.

Insurance contracts

The IASB is continuing to develop proposals for insurance accounting, to be set out in a discussion paper later this year. It has tentatively decided to propose a current measurement of insurance liabilities, and is considering how this measurement should take into account forecast cash flows, risk margins, and discretionary payments under with-profits and similar types of contract.

Share-based payment

The IASB is commencing consideration of the responses to the recent exposure draft proposing amendments to IFRS 2 *Share-based Payment* dealing with vesting conditions and cancellations by the counterparty. As reported in *Inside Track 47*, the ASB issued the proposals as a UK exposure draft and will be considering the need to keep FRS 20 converged with IFRS 2 if the IASB proceeds with its amendment.

Earnings per share

The IASB is expected to issue shortly an exposure draft of a limited amendment of IAS 33 *Earnings per Share* proposing modifications to the treasury stock method of calculating diluted earnings per share, to include in the assumed proceeds resulting from the exercise of options and warrants the carrying amount of the instrument in liabilities. The ASB will consider proposing a similar amendment to FRS 22 so that the standard remains converged with the international standard.

IFRIC Draft Due Process Handbook

In May, the International Accounting Standards Committee Foundation (IASCF) issued a draft IFRIC Handbook, which sets out the responsibilities of the IFRIC and the scope of its work. It also sets out in detail IFRIC's due process, the authority of IFRIC Interpretations and communication issues, including relationships with national standard-setters and national interpretative groups (NSS and NIGs). The ASB has responded to the IASCF and a copy of the response can be accessed from the website at www.frc.org.uk/asb.

UITF and IFRIC Update

Draft Abstract on equivalence

A proposed UITF Abstract 'The interpretation of equivalence for the purposes of section 228A of the Companies Act 1985' was issued in May (in Information Sheet 79).

With effect for accounting periods commencing on or after 1 January 2005, the Companies Act 1985 has been amended to include a new section 228A. This exempts, subject to certain conditions, an intermediate parent undertaking from the requirement to prepare consolidated accounts where its parent entity is not established under the law of an EEA state. The new exemption extends to UK companies an optional exemption in the EU Seventh Company Law Directive that was not taken up when its provisions were originally enacted through the Companies Act 1989. The new exemption complements the well established exemption in section 228 for intermediate parent undertakings where the parent entity is established under the law of an EEA state.

Exemption is conditional upon compliance with various conditions, including that the intermediate parent and all of its subsidiaries are included in consolidated accounts for a larger group drawn up in accordance with the provisions of the Seventh Directive or in a manner equivalent to consolidated accounts so drawn up.

Questions have been raised as to whether financial statements drawn up in accordance with IFRS, US GAAP and other GAAPs meet the requirement for 'equivalence' with the Seventh Directive, and the UITF has been asked to provide guidance.

IFRIC Interpretation on interim financial reporting and impairment

IFRIC 10 '*Interim Financial Reporting and Impairment*' was issued on 20 July. It addresses a conflict between IAS 34 '*Interim Financial Reporting*' and other standards.

IAS 34 states that the frequency of an entity's reporting (annual, half-yearly, or quarterly) shall not affect the measurement of its annual results. IAS 36 '*Impairment of Assets*' and IAS 39 '*Financial Instruments: Recognition and Measurement*' do not permit certain impairment losses to be reversed in a subsequent period, i.e. on goodwill, unquoted equity instruments carried at cost and equity instruments classified as available for sale.

IFRIC 10 addresses the issue of whether impairment losses recognised on those assets in an interim period should or should not be reversed in a subsequent interim period, if circumstances justify a different answer by the end of that subsequent interim period. IFRIC 10 concludes that such impairment losses should not be reversed.

IFRIC agenda decision on recognition of contingent rentals

The following agenda decision is reported in July's edition of *IFRIC Update*.

"The IFRIC has been asked to consider whether an estimate of contingent rentals payable/receivable under an operating lease should be included in the total lease payments/lease income to be recognised on a straight-line basis over the lease term.

The IFRIC noted that, although the Standard [IAS 17 *Leases*] is unclear on this issue, this has not, in general, led to contingent rentals being included in the amount to be recognised on a straight-line basis over the lease term. Accordingly, the IFRIC decided not to add this issue to its agenda but to recommend to the Board that IAS 17 be amended to clarify the approach intended by the Standard."

IASB announces no new IFRS effective until 2009

On 24 July, the IASB announced a number of steps taken as a result of its ongoing review of its work programme and of market practices. The major feature is that the IASB will not require the application of new IFRSs under development or major amendments to existing standards before 1 January 2009. This will provide a period of stability for entities applying IFRS.

The IASB has also announced that it intends to allow a minimum of one year between the date of the publication of wholly new IFRS or major amendments to existing IFRS and the date when implementation is required.

ASB issues Amendment to FRS 25 'Financial Instruments: Presentation'

Project Director Peter Godsall explains the proposals in the latest exposure draft to be issued by the ASB.

This month, the ASB has issued an exposure draft of an amendment to Financial Reporting Standard (FRS) 25 (IAS 32) '*Financial Instruments: Presentation*'. The amendment would change the classification from liabilities to equity of certain financial instruments. The amendment follow similar proposals to amend International Accounting Standard (IAS) 32 '*Financial Instruments: Presentation*' issued in June 2006 by the IASB.

The IASB noted that certain financial instruments with characteristics similar to ordinary shares were classified as liabilities under IAS 32. The objective of the exposure draft is to develop a limited scope, short term solution to improve the financial reporting of these instruments, pending the outcome of the IASB's longer-term project on equities and liabilities. The new proposals would require classification as equity of financial instruments puttable at the fair value of a pro rata share of the net assets of the entity and instruments with obligations for a pro rata a share of the entity on liquidation, provided certain criteria were met. The amendments would be applied retrospectively, with one exception relating to compound instruments, from a date to be decided after exposure.

Following the issue of the IASB exposure draft, the ASB is proposing to make corresponding changes to FRS 25 to keep it in line with the international standard.

The ASB has noted the concerns raised by two IASB Board Members set out in the alternative views in the exposure draft. However, the ASB does not believe that these concerns are sufficient to justify a divergence between the UK and international standards.

The Exposure Draft can be accessed from the website at: http://www.frc.org.uk/asb/press/pub1139.html. Comments are requested by 23 October 2006.

European developments

On 17 May, the European Commission hosted a roundtable on the consistent application of IFRS. The event was attended by representatives of national standard-setters (including the ASB), regulators, preparers, the IASB and EFRAG. The roundtable is designed to be an informal and temporary mechanism to share and discuss potential issues that might give rise to problems of consistent application and which might be submitted to the International Financial Reporting Interpretations Committee (IFRIC).

The general view of the meeting was that IFRIC should be the appropriate body to interpret IFRS and agreement that the purpose of the roundtable was not to develop an EU interpretations body, but rather to discuss and decide whether there were any key few issues that clearly met the IFRIC criteria that could and should be submitted to the IFRIC and/or IASB for consideration as a matter of priority. The roundtable would act as a filter. A number of issues were discussed or raised at the meeting, and these will be considered at a further meeting of the roundtable to be held in September.

On 14 July, the European Commission published a Decision on the setting up of a high-level Standards Advice Review Group to advise it on the objectivity and neutrality of EFRAG's opinions on the endorsement of IFRS for application in the EU. The Commission's rationale for setting up the Group is that, as EFRAG is a private body, it is important for the high quality, transparency and credibility of the endorsement process to establish a mechanism to ensure that its advice is objective and well-balanced.

SORPs update

Statements of Recommended Practice (SORPs) supplement accounting standards and other legal and regulatory requirements to reflect factors prevailing or transactions undertaken in a specialised industry or sector. SORPs are issued by the sectoral body recognised for the purpose by the ASB.

Local Authorities

The CIPFA/LASAAC Joint Committee has recently completed its revision of the 2005 Code of Practice on Local Authority Accounting in the United Kingdom. The Board issued its statement on 15 June with the 2006 SORP published on 11 July. It has effect for financial years commencing on or after 1 April 2006.
The SORP contains a number of significant changes, including the removal of the requirement to make a capital financing charge. It also includes improvements to the presentation of the primary statements which now include an Income and Expenditure Account, a Statement of Movement on the General Fund Balance and a Statement of Total Recognised Gains and Losses.

Registered Social Landlords

The National Housing Federation and the Welsh and Scottish Federations of Housing Associations have prepared an Invitation to Comment and Exposure Draft setting out proposals for a third edition of the SORP for registered social landlords.

The ITC provides a helpful overview of the proposed changes and sets out a number of questions for social landlords. The ITC and Exposure Draft are available via the National Housing Federation's web-site www.housing.org.uk with a three-month comment period.

The Exposure Draft reflects changes in financial reporting standards and other accounting practice since the 2005 SORP Update. It also includes further accounting guidance in areas such as shared ownership sales, onerous contracts and accounting for mixed tenure development and has been restructured to remove any duplication and improve readability.

Charities

The Charity Commission and the Office of the Scottish Charities Regulator put forward proposals, which the Board has approved, to work together as a joint SORP making body for the Charity sector.

Further and Higher Education

Universities UK, on behalf of the further and higher education sector, is currently taking forward a review of the current SORP, which is dated July 2003. The aim is to publish an Exposure Draft of an updated SORP at the end of December 2006 with a three month comment period.

Appointments

Jon Symonds is to stand down from the Board at the end of August. A replacement for Jon is being sought.

Ian Carruthers, Director of Policy and Technical at the Chartered Institute of Public Finance and Accountancy (CIPFA), has been appointed as a member of CAPE.

Professor Mike Page, from Portsmouth University, has been appointed as a member of CASE. **Melvyn Howell**, a CASE member since 1997, has stepped down from the Committee.

Further Information
For further information on any of these topics please contact David Loweth at Aldwych House.

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