



FINANCIAL REPORTING COUNCIL

PLAN FOR 2007/08

APRIL 2007



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Key features of the Plan for 2007/08

The activities and projects which we propose to undertake in 2007/08 are derived from our Strategic Framework (published in April 2007 and available on our website at: www.frc.org.uk). They are intended to contribute to the achievement over the medium term of the outcomes and other elements in that Framework and take account of the views of our stakeholders in response to the draft Plan we published in December 2006.

The key themes of our Plan for 2007/08 are that we will:

- Lead public debate in the UK on the major issues affecting confidence in corporate reporting and governance
- Monitor corporate reporting and governance practices in the UK and take enforcement action where appropriate
- Increase our participation in the development of international standards and co-operation with international regulatory organisations
- Contribute to modifying the UK regulatory regime to take account of changes in European and UK legislation.

There is considerable continuity in these themes from the key features of our Plan & Budget for 2006/07. A number of the major activities on which we are working in 2006/07 will continue in 2007/08. The Plan for 2007/08 notes that one major project from the 2006/07 Plan remains to be completed, the response to the consultation on the implications of new accounting and auditing standards for the “true and fair” view. This is now included in the Plan for 2007/08.

The most important activities and projects in relation to our Plan for 2007/08 are:

Outcome One – Corporate governance

- work with the DTI to implement EU requirements on audit committees and corporate governance statements
- begin a review of the impact of the Combined Code on Corporate Governance.

Outcome Two – Corporate reporting

- influence the joint IASB/FASB framework project to develop a conceptual framework for financial reporting and other convergence projects
- continue to consider a strategy for the convergence of UK standards with IFRS
- conclude our research project on accounting for pensions

- respond to the consultation on the implications of new accounting and auditing standards for the “true and fair” view
- review a selection of annual and interim accounts and directors’ reports, including business reviews.

Outcome Three – Auditing

- continue our project on choice in the UK audit market
- consider responses to our discussion paper “Promoting Audit Quality” and respond as appropriate
- influence the development of IAASB standards including the project to revise and clarify ISAs
- review the scope for providing guidance on the application of the Companies Act 2006 provisions relating to auditor liability limitation agreements
- monitor, through our Audit Inspection Unit, the quality of the audit function in relation to listed companies and other entities in whose financial condition there is a major public interest
- contribute to the implementation of the 8th Company Law (Auditing) Directive, with particular focus on the provisions relating to foreign auditors.

Outcome Four – Actuarial practice

- publish and consult on a conceptual framework for actuarial standards.

Outcome Five – Professionalism of accountants and actuaries

- monitor the regulatory activities of the professional bodies in relation to their members
- operate an independent investigation and discipline scheme to deal with misconduct.

Outcome Six – FRC effectiveness

- following consultation, implement proposed changes to the governance structure of the FRC
- evaluate opportunities to improve the cost effectiveness of those parts of the regulatory system for which we are responsible
- promote co-operation between international independent audit regulators through our active participation in IFIAR.

Major activities and projects for 2007/08

This table sets out the major activities and projects we are proposing in 2007/08 to contribute to the outcomes we have identified in our Strategic Framework.

Those elements of the Strategic Framework where the principal responsibility rests with other agencies or market participants are indicated through shading in grey.

The table indicates, where appropriate, which of the FRC's operating bodies has lead responsibility for individual activities and projects. Where an individual operating body is not indicated, the activity or project is the responsibility of FRC as a whole.

Strategic Outcome One: Corporate governance	
UK companies with a primary listing in the UK are led in a way which facilitates entrepreneurial success and the management of risk..	
Supporting Outcome One (a)	
The legislative and regulatory framework for corporate governance is clear, proportionate and capable of dealing with a wide variety of circumstances and of adaptation to developments in corporate practices.	
Component	Project/Activity in 2007/08
i) Legislative provisions relating to corporate governance, originating in the UK or in the EU, are effective and proportionate and appropriately implemented.	<p>Work with DTI on implementation of the EU requirements on audit committees and corporate governance statements.</p> <p>Work with DTI on the draft Shareholder Rights Directive and any further legislation arising from the EU Company Law Action Plan.</p> <p>Share experience and best practice with bodies responsible for corporate governance codes in other countries.</p> <p>Support the Pre-Emption Group in promoting and monitoring the application of its Statement of Principles.</p> <p>Develop guidance, as necessary, in relation to changes in the Companies Acts relevant to the meaning of adequate accounting records.</p>
ii) Good governance is defined by a Code of Principles outlining good practice and based on a "comply or explain" approach and kept under regular review. (FRC)	<p>Begin a review of the impact of the Combined Code. The effectiveness of the current arrangements intended to achieve Supporting Outcomes One (b) and (c) will be considered as part of the review.</p> <p>Encourage research into the impact of the Combined Code and of corporate governance generally.</p>

Supporting Outcome One (b)

Boards meet the necessary high standards of performance.

Component	Project/Activity in 2007/08
i) There is an adequate supply of skilled and experienced people willing to serve on Boards.	<i>The activities needed to achieve this Supporting Outcome are primarily the responsibility of Company boards. Shareholders have a significant secondary role in relation to the achievement of this Outcome with regard to individual companies. The FRC will keep under review the overall extent to which the Components accurately describe the behaviour of Boards.</i>
ii) Boards accept the Code as a basis for good practice and willingly seek to meet its standards in a way which is consistent with the long-term health of their companies.	
iii) Companies provide shareholders with information on their governance and performance which is relevant, understandable and balanced.	
iv) Boards accept the need to engage with shareholders in dialogue on corporate governance matters.	

Supporting Outcome One (c)

Institutional shareholders regard good corporate governance as an essential basis for sustained good performance by companies.

Component	Project/Activity in 2007/08
i) Institutional shareholders support shareholder-led enforcement of standards of corporate governance.	<i>The activities needed to achieve this Supporting Outcome are primarily the responsibility of institutional shareholders. The FRC will keep under review the overall extent to which the Components accurately describe the behaviour of institutional shareholders.</i>
ii) Institutional shareholders support the Code, including “comply or explain”, as the best instrument for enforcing good corporate governance in listed companies.	
iii) Institutional shareholders appropriately engage in dialogue with boards on corporate governance matters.	

Strategic Outcome Two: Corporate Reporting

Corporate reports contain information which is relevant, reliable, understandable and comparable, and are useful for decision-making, including stewardship decisions.

Supporting Outcome Two (a)

The legislative and regulatory framework provides clarity in what is required to provide relevant, reliable, understandable and comparable reports, and underpins the importance of a true and fair view.

Component	Project/Activity in 2007/08
i) Legislative provisions relating to corporate reporting, originating in the UK or in the EU, are effective and proportionate and appropriately implemented.	Work within the EU to ensure appropriate European influence in the development of international standards and their adoption in the EU. (ASB) Consider and revise, as necessary, UK accounting standards in the light of the UK implementation of the 2006 Amendments to the 4th and 7th Directives. (ASB)
ii) Accounting standards provide an effective framework for the preparation of financial reports, are principles-based and serve the public interest. (ASB)	Influence the IASB/FASB conceptual framework project and the convergence projects being taken forward under the Norwalk Agreement and the February 2006 Memorandum of Understanding between the IASB and FASB. Continue to consider the implications of the IASB/FASB conceptual framework project for public benefit entities (with Australia, Canada, and New Zealand). (ASB)
iii) The standard-setting body plays an influential role in the development of international accounting standards, and plays an influential role in Europe. (ASB)	Contribute to specific IASB projects as appropriate. (ASB) Participate in EFRAG Pro-active Accounting Activities in Europe (PAAinE) projects. (ASB) Conclude research project on accounting for pensions with the issue of a discussion paper and an analysis of the responses. (ASB)
iv) The standard-setting body maintains an appropriate and high quality regime for UK accounting standards – which takes account of the size and degree of public interest in the entities to which the regime applies. (ASB)	Continue to consider a strategy for the convergence of UK standards with IFRS. (ASB) Maintain an appropriate regime for UK GAAP, including reviews of revisions to SORPs. (ASB)
v) There is guidance on the meaning of “true and fair” to guide preparers and to maintain confidence in the financial reporting regimes in place. (FRC)	Respond to the consultation on the implications of new accounting and auditing standards for the “true and fair” view.
vi) There is best practice guidance to preparers on aspects of financial reporting not covered by accounting standards, such as narrative reporting. (ASB)	Maintain appropriate guidance on best practice in narrative reporting. (ASB)

Supporting Outcome Two (b)

Directors strive to ensure that financial statements show a true and fair view and to embrace best practice in the provision of all information in financial reports.

Component	Project/Activity in 2007/08
i) Directors apply the principles set out in accounting standards responsibly and with integrity and in a way that reflects the underlying economic reality; and disclose and explain the key judgments made in compiling financial statements and other reports.	<p><i>The activities needed to achieve this Supporting Outcome are primarily the responsibility of Company Boards.</i></p> <p><i>Outcome Three (Auditing) and Outcome Five (Professionalism of accountants and actuaries) have important secondary roles in relation to this Outcome.</i></p>
ii) Directors set out a clear and balanced analysis of the development, performance, strategic position and future prospects and direction of their business that enables users to make informed decisions, including an assessment of the Directors' stewardship.	

Supporting Outcome Two (c)

Financial reporting requirements are appropriately monitored and enforced.

Component	Project/Activity in 2007/08
i) There is an effective and efficient mechanism to ensure compliance with financial reporting requirements – which provides for risk-based targeting of information for review, and encourages open dialogue with companies and informed referrals from the investor community. (FRRP)	<p>Review a selection of annual and interim accounts and directors' reports, applying selection criteria based on industry sectors, specific accounting requirements and company-specific trigger factors. (FRRP)</p> <p>Select accounts for review from the full range of entities within the Panel's remit but with a particular focus on the following industry sectors – travel and leisure, retail, utility, telecommunications and media. (FRRP)</p> <p>Respond to matters drawn to our attention as a result of complaints or public comment, encouraging referrals from the investment community, other professional advisers and elsewhere. (FRRP)</p> <p>Develop a process for monitoring directors' reports. (FRRP)</p> <p>Influence the development of international enforcement practices through active involvement in EECS, the Committee of European national enforcers, established under CESR. (FRRP)</p>

Strategic Outcome Three: Auditing

Users of audit reports can place a high degree of reliance on the audit opinion, including whether financial statements show a true and fair view.

Supporting Outcome Three (a)

The legislative and regulatory framework provides clarity on the role and purpose of audit and the standards which auditors should meet.

Component	Project/Activity in 2007/08
<p>i) Legislative provisions relating to auditing, originating in the UK or in the EU, are effective and proportionate and appropriately implemented.</p>	<p>Contribute to the implementation of the 8th European Company Law (Auditing) Directive, with a particular focus on the provisions relating to foreign auditors. In particular:</p> <ul style="list-style-type: none"> • Participate in the arrangements for the co-ordination of the regulation of audit and the oversight of the auditing profession in the EU. • Provide advice to the European Commission on equivalence assessments of third country audit regimes. • Develop policies and procedures for maintaining a third country audit register. • The adoption of international auditing standards. (POB) <p>Follow up the 2006/07 consultation on statutory transparency reporting by auditors of public interest entities. (POB)</p> <p>Review the scope for providing guidance on the application of the Companies Act 2006 provisions relating to auditor liability limitation agreements.</p>
<p>ii) Auditing and ethical standards and guidance provide an effective framework for the expected conduct of audits, are principles-based, and serve the public interest. (APB)</p>	<p>Develop guidance, as necessary, in relation to changes in the Companies Acts impacting the performance of audits. (APB)</p> <p>Update industry-specific auditing Practice Notes, including those on charities and investment businesses. (APB)</p> <p>Consider the impact of the Companies Act 2006 on auditor's reports and the Audit Quality Forum's proposals for additional information to be included in such reports.</p>
<p>iii) The standard-setting body plays an influential role in the development of international auditing and ethical standards and plays an influential role in Europe. (APB)</p>	<p>Contribute to IAASB's project to revise and clarify ISAs and to work positively towards their adoption in the EU. (APB)</p> <p>Contribute to the revision of individual ISAs, including:</p> <ul style="list-style-type: none"> • the objective and general principles of audits • auditing accounting estimates (including fair values) • auditing related parties • group audits. (APB) <p>Contribute to IESBA's review of its Code of Ethics and co-ordinate this work with a review of the APB's Ethical Standards for Auditors. (APB)</p>

iv) There is guidance on the key drivers of audit quality.	Consider the responses to our discussion paper 'Promoting Audit Quality' and, if appropriate, consider what further steps might be necessary taken to maintain and enhance the quality of audits.
v) Recognised supervisory and qualifying bodies have effective regulatory systems in place to support high quality audits.	<i>The activities needed to achieve this Component are primarily the responsibility of the relevant professional accountancy bodies.</i>

Supporting Outcome Three (b)	
Audits are undertaken by an experienced, motivated and sceptical team within an effective firm-wide environment in audit firms and an efficient market for audit services.	
Component	Project/Activity in 2007/08
i) Audit provides a rewarding career thus attracting, developing and retaining high quality entrants for the long term stability of the profession.	<i>The activities needed to achieve this Supporting Outcome are primarily the responsibility of individual auditors and audit firms. Outcome Five (Professionalism of accountants and actuaries) contributes to this Outcome</i>
ii) Audit firms ensure that audit teams have the capability, competence and time to detect material errors, omissions or irregularities in the financial statements they are auditing - and adhere to the principles on which auditing and ethical standards and guidance are based and not just the rules.	
iii) Auditors should report appropriately to shareholders and communicate effectively with audit committees.	
iv) There is an efficient market for audit services in the UK.	Continue our project to enhance the efficiency of the market for the audit of major public interest entities in the UK and reduce the risks to the availability and quality of auditors. In particular, consider actions to: <ul style="list-style-type: none"> • increase choice of auditors • reduce risks of a firm leaving the market without good reason • reduce uncertainty and disruption costs in the event of a firm leaving the market.

Supporting Outcome Three (c)	
Auditing requirements are appropriately monitored and enforced.	
Component	Project/Activity in 2007/08
i) Audit committees know what the main drivers of audit quality are, and are pro-active and effective in undertaking their reviews of audit quality and reporting their findings.	Promote awareness amongst audit committees of the drivers of audit quality.
ii) Audit monitoring focuses on the drivers of audit quality and the professional judgments exercised at both the firm-wide and engagement level. (POB)	<p>Undertake inspection visits to the 9 largest audit firms to review firm-wide procedures and specific audits, and issue recommendations to improve audit quality. (POB-AIU)</p> <p>Review a selection of audits of listed companies and other entities in which there is a major public interest undertaken by other audit firms. (POB-AIU)</p> <p>Report publicly on the principal issues arising and recommendations from our independent monitoring regime. (POB-AIU)</p> <p>Consider responses to the earlier consultation on the extent of public reporting and the impact of the application of the Freedom of Information Act to future AIU reporting. (POB)</p>
iii) The recognised supervisory bodies maintain appropriate arrangements for the monitoring and enforcement of compliance with their rules and for the investigation of complaints. (POB)	<p>Statutory oversight of the regulatory processes of the RSBs and RQBs through:</p> <ul style="list-style-type: none"> • documenting and understanding each body's regulatory systems • annual compliance testing of the operation of the regulatory systems • periodic evaluation of specific aspects of the regulatory system. (POB) <p>Review RSB and RQB systems and procedures for ensuring that the requirements of the Companies Act are met effectively and make recommendations to improve these systems. (POB)</p> <p>Deliver a report to the Secretary of State on the discharge of our statutory responsibilities. (POB)</p> <p>Follow up relevant recommendations from our private reports to the professional bodies on the testing of their application of their regulatory systems. (POB)</p> <p>Follow up recommendations from our published report on complaints and discipline. (POB)</p>

Strategic Outcome Four: Actuarial Practice

Users of actuarial information can place a high degree of reliance on its relevance, transparency of assumptions, completeness and comprehensibility.

Supporting Outcome Four (a)

The legislative and regulatory framework provides clarity on what is required to provide relevant, transparent, clear and complete actuarial information.

Component	Project/Activity in 2007/08
i) Legislative provisions relating to actuarial practice, originating in the UK or in the EU, are effective and proportionate and appropriately implemented.	<i>No significant projects planned in this year.</i>
ii) There is a conceptual framework which sets out the principles and concepts that underlie actuarial information and gives coherence and consistency to the standards. (BAS)	Publish a paper inviting views on the key elements of a conceptual framework for actuarial standards. (BAS)
iii) Actuarial standards are developed or amended which are consistent with the conceptual framework (and best practice) and the provision of clear and complete actuarial information. (BAS)	Update current standards on specific issues where appropriate. (BAS) Develop new standards on specific issues where appropriate. (BAS)
iv) Actuarial standards fit appropriately into a framework that includes all relevant regulation (including professional, accountancy and prudential regulators) and take due account of public interest.	Consider the relationship between BAS standards and the regulatory requirements of the FSA, the DWP and the Pensions Regulator. (BAS/POB)

Supporting Outcome Four (b)

Actuarial information is provided to a consistently high quality standard.

Component	Project/Activity in 2007/08
i) Actuaries apply the principles set out in actuarial standards responsibly and with integrity, and in a way that reflects the economic reality.	<i>The activities needed to achieve this Supporting Outcome are primarily the responsibility of individual actuaries and actuarial firms. Outcome Five (Professionalism of actuaries) contributes to this Outcome.</i>
ii) Actuaries communicate clearly the underlying assumptions made and the inherent risks for a range of possible outcomes.	
iii) Actuaries supply relevant, reliable and comprehensible information to assist in decision-making by the principal users of actuarial advice.	

Supporting Outcome Four (c)

There is effective scrutiny and monitoring to ensure that actuarial information is produced in accordance with the relevant technical and ethical standards.

Component	Project/Activity in 2007/08
i) Institutional recipients and users of actuarial information know what the main drivers of quality are, and are proactive in challenging the quality of the actuarial information they receive.	Publish the results of a survey of the needs of the principal users of actuarial information. (BAS/POB) Work with the actuarial profession and the principal users of actuarial information to develop a wider discussion on the drivers of quality in actuarial work. (BAS/POB)
ii) There is a framework of effective scrutiny and monitoring which ensures that actuarial information complies with the relevant technical and ethical standards.	Working with the actuarial profession, other regulators, and the users of actuarial information, review and make recommendations for the scrutiny and monitoring of actuarial advice. (POB)

Strategic Outcome Five: Professionalism of accountants and actuaries

Clients and employers of professionally qualified accountants and actuaries and of accountancy and actuarial firms can rely on them to act with integrity and competence, having regard to the public interest.

Supporting Outcome Five (a)

There is an effective legislative and regulatory framework for the regulation of accountants and actuaries.

Component	Project/Activity in 2007/08
i) The accountancy and actuarial professional bodies maintain appropriate requirements for membership of the accountancy and actuarial professions.	<i>The activities needed to achieve this Component are primarily the responsibility of the relevant professional accountancy and actuarial bodies</i>
ii) There are well-understood principles and standards of practice and ethical behaviour established in the public interest for both the accounting and actuarial professions.	<i>The activities needed to achieve this Component are primarily the responsibility of the relevant professional accountancy and actuarial bodies.</i>
iii) Standards for reporting on investment circulars, and other assurance services, provide an effective framework for the work undertaken, are principles-based and serve the public interest. (APB)	<i>No significant projects planned in this year</i>

Supporting Outcome Five (b)

Accountants and actuaries, and the firms to which they belong, meet high standards of practice and ethical behaviour and have regard to the public interest.

Component	Project/Activity in 2007/08
i) There are adequate numbers of high quality individuals entering, and remaining in, the accountancy and actuarial professions.	<i>The activities needed to achieve this Supporting Outcome are primarily the responsibility of individual accountants and actuaries and the organisations which employ them.</i>
ii) Accountants and actuaries maintain and develop the appropriate professional competences, and respect the public interest in, and the ethical rationale for, their work.	

Supporting Outcome Five (c)

Compliance with professional and ethical standards for accountants and actuaries is appropriately monitored and enforced.

Component	Project/Activity in 2007/08
<p>i) The accountancy and actuarial professional bodies have effective arrangements to oversee the activities of their members and identify shortcomings in their technical performance and ethical behaviour, and have effective systems for the investigation and disciplining of such shortcomings. (POB)</p>	<p>Monitor the regulatory activities of the accountancy and actuarial professional bodies in relation to their members. (POB)</p> <p>Monitor developments, assessing those issues that could adversely affect public confidence in accountants and actuaries – and where appropriate undertake more detailed research and make recommendations to the professional bodies or recommend the development of new standards. (POB)</p> <p>Follow-up recommendations from previous projects, including:</p> <ul style="list-style-type: none"> • Training and Education in the Accountancy Profession • Complaints and Discipline Procedures Review • How accountants support the needs of SMEs. (POB) <p>Follow-up our review of the actuarial professional bodies' implementation of the recommendations of the Morris Review, including:</p> <ul style="list-style-type: none"> • their review of ethical standards and discipline arrangements • the impact of their recent training and education reforms. (POB)
<p>ii) There are effective arrangements in relation to public interest cases for the independent investigation of the conduct of members and member firms of the professional accountancy bodies and members of the actuarial professional bodies and, where appropriate, for disciplinary action. (AIDB)</p>	<p>Operate an independent investigation and discipline scheme for matters which raise or appear to raise important issues affecting the public interest:</p> <ul style="list-style-type: none"> • continue to monitor and investigate matters which raise or appear to raise important issues affecting the public interest. • substantially complete the investigations relating to the MG Rover Group, Langbar International Limited, Emerging Business Trust and iSoft Group plc. (AIDB) <p>Implement a new disciplinary scheme to deal with public interest cases in respect of the actuarial profession. (AIDB)</p>

Strategic Outcome Six: FRC Effectiveness

The FRC is an effective and independent regulator, actively helping to shape UK, EU and international approaches to corporate reporting and governance.

Supporting Outcome Six (a)

The FRC meets the principles of good regulation, and is transparent and accountable.

Component	Project/Activity in 2007/08
i) The FRC has in place and consistently implements policies on good regulation, including effective use of regulatory impact assessments, and having particular regard to the impact of regulation on small enterprises.	Evaluate opportunities to improve the cost effectiveness of those parts of the regulatory system for which we are responsible. Implement the recommendations arising from the AIDB Scheme Review and the review of the lessons from the Mayflower case.
ii) The FRC publishes an Annual Report which assesses progress towards the achievement of the outcomes included in the Strategic Framework and the FRC's own performance in implementing its annual Plan and meeting the principles of good regulation.	Publish our Annual Report 2006/07. Conduct our annual survey of confidence in corporate reporting and governance. Develop Key Performance Indicators for our Strategic Framework.
iii) Stakeholders are provided with regular reports and other information, such as assessment of impact of activities designed to achieve the strategic outcomes in this framework.	Make available on our website up to date information on the work of the Council and the operating bodies, including summary minutes of meetings, subject to issues of necessary confidentiality. Make ourselves open to scrutiny by holding an Open Annual Meeting.
iv) An annual Plan & Budget is published which reflects timely and thorough consultation with stakeholders	Publish our Plan & Budget 2008/09.

Supporting Outcome Six (b)

The FRC is recognised in the UK and internationally as independent, credible, authoritative and influential.

Component	Project/Activity in 2007/08
i) The FRC has a statutory framework in place to provide the appropriate powers and statutory immunity, and a clearly documented basis for the non-statutory elements of its responsibilities.	Participate in the project to be undertaken by the World Bank to review the United Kingdom's compliance with the international standards relating to accounting, auditing and corporate governance.

ii) The FRC demonstrates an appropriate degree of independence from government and the regulated communities.	Following consultation, implement proposed changes to the governance structure of the FRC.
iii) Effective working relationships with UK Government (including DTI, HMT and DWP), and other UK regulators (including FSA and the Pensions Regulator) are maintained.	<i>No significant projects planned in this year.</i>
iv) The FRC effectively engages with, and influences, relevant EU and international organisations, and regulatory authorities in other major jurisdictions.	Make an effective contribute to the work of the International Forum of Independent Audit Regulators. Participate in the arrangements for the coordination of the regulation of audit and the oversight of the auditing profession in the EU. Strengthen relationships with international regulatory organisations.
v) There is a clear statement of the relevance of the FRC's work to the public sector and other public benefit entities.	Keep under review our relevance to the public sector.

Supporting Outcome Six (c)	
The FRC has adequate resources and management processes and operates efficiently.	
Component	Project/Activity in 2007/08
i) The FRC attracts, retains and motivates the people required to meet its objectives.	Develop our people management and development processes to improve our ability to attract, retain and motivate the people required to meet our objectives.
ii) The FRC manages information effectively and shares information as appropriate within the organisation.	Continue implementation of FRC Information Strategy, including roll-out of further Electronic Records Management and meeting preparations for the application of the Freedom of Information Act to the POB.
iii) The FRC secures the necessary funding and manages its costs effectively.	Finalise our levy proposals for 2007/08 in the light of responses to consultation. Undertake a review of our funding arrangements.
iv) Activities and projects in the Plan & Budget are completed in a timely and effective way and the risks to the achievement of the Strategic Outcomes in this framework are actively managed.	Improve our ability to manage effectively the risks to the achievement of our Strategic Outcomes.
v) The FRC is resilient to disruptions to its activities	Maintain a robust Business Continuity Plan and appropriate disaster recovery facilities..

Abbreviations

AIDB	Accountancy Investigation and Discipline Board
AIU	Audit Inspection Unit
APB	Auditing Practices Board
ASB	Accounting Standards Board
BAS	Board for Actuarial Standards
CESR	Committee of European Securities Regulators
DTI	Department of Trade and Industry
DWP	Department for Work and Pensions
EECS	European Enforcers Co-ordination Sessions
EFRAG	European Financial Reporting Advisory Group
FASB	Financial Accounting Standards Board
FRC	Financial Reporting Council
FRRP	Financial Reporting Review Panel
FSA	Financial Services Authority
GAAP	Generally Accepted Accounting Practice
HMT	Her Majesty's Treasury
IAASB	International Auditing and Assurance Standards Board
IASB	International Accounting Standards Board
IESBA	International Ethics Standards Board for Accountants
IFIAR	International Forum of Independent Audit Regulators
IFRS	International Financial Reporting Standard
ISA	International Standard on Auditing
PAAinE	Pro-Active Accounting Activities in Europe
POB	Professional Oversight Board
RQB	Recognised Qualifying Body
RSB	Recognised Supervisory Body
SME	Small and Medium sized Enterprises
SORP	Statement of Recommended Practice

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