

Proposed Targeted Amendments to IFRS Foundation Constitution

[1] [2] [3] [4] Board size and geographical allocation of board members

1. The UKEB DCL proposes that the Trustees retain a normal minimum size of 12 IASB members. It does not support the proposal to introduce a range for board membership of between 8 and 12 members. Do you agree with the position in the DCL? If not, please give the rationale for your answer to question 1

Yes ☐

No ☒ X

Explanation: There are a number of points. Each is a deal breaker for the proposal under review.

1. Informed, experienced, leadership is **the criteria** not number of office holders. Attributes of leadership must be identified and recorded. This is the essence of the current void. UKEB needs to reject the approach, explain why, and set out the alternative with full detail. If it does not do it, no-one else will.

1.1. The UK is governed by the Companies Acts in this area (other statutes also apply). The Companies Acts make the rules on the obligation to maintain the books of prime record, sufficient to be able to ascertain the financial trading position of the enterprise at all times. These must be the basis for the creation of the nominal ledger and the extraction of estimates to create draft accounts, management reports, prepare for auditor's reports, inclusive of those comprising letters to management, addressed to those charged with the governance of the enterprise. Office holders must have this demonstrable experience and public track-record, including cross border.

1.2. The articles of the company set out directors' obligations severally and as a board. Compliance with standards is in the Acts. Therefore each member of the board, herein referred to as "leadership" must be totally imbued in the history, development and law enforcement paths of the standards and have demonstrable public track-record as preparer, approver, publisher of accounts as well as experience of members' meetings, voting, issuing public notices. The characteristic of the individuals is more important than the number. Generally the smaller the board, the better.

1.3. The Company Secretary and record keeper is possibly more important than anyone else. Each office holder must have contributed to public calls for evidence particularly in the field of law enforcement including tax evasion and be fully informed on all significant case studies internationally.

1.4. Office holders must be informed about all major proceedings involving accountants, auditors, tax advisers, private wealth marketed through accountants (Dobb White etc, to 2004 and after), gimmicky controversial transactions, such as “pre-packs” (Farepak, BDO, 2006; Torex Retail [Cerberus, RBS, Deloitte], 2007; RSM Tenon, Premier Strategies, LBG, Deloitte, CMS, others 2013); major whistle-blowers’s cases; and be conversant in the use of experts, either with experience of being one or engaging one. This is topical.

1.5. Office holders (prospective) should be conversant in major exposures such as those revealed by the Panama Papers and recently the case of Abramovich including the involvement of Deloitte, Cyprus, back-dated falsified records. They should contribute publicly with their own submissions and evidence. They should write publicly on the patterns which are revealed and how records are falsified. There should be commentary from them on the economic consequences.

<https://www.bbc.co.uk/news/articles/c64g1l5389kvo>

Documents falsified to evade tax on Abramovich's wealth, BBC finds

<https://www.theguardian.com/world/2026/oct/12/roman-abramovich-aides-paperwork-tax-records-suggest>

Roman Abramovich aides falsified paperwork to disguise assets and dodge tax, records suggest

Accountancy firm Deloitte Cyprus among those that appear to have backdated records outlining the Russian billionaire’s assets
Rob Davies and Simon Lock Mon 12 Oct 2026 06.00 BST Last modified on Mon 12 Oct 2026 13.39 BST

1.6. Office holders must have practical experience of publicly challenging the Companies Act 2006, and the consequences of making up “Recognised Professional Bodies” which do not exist. Members’ bodies exist in accordance with Royal Charter to serve the members’ including by inspection of firms which train, and providing technical, ethical, research, legal and other support as well as special interest groups, referrals to experts and disciplinary of members by members. Where a member defaults to the public, the body picks the work up and completes it, so the public is protected. Holding Client Monies, including data, information, original documents, held as bailee, are all controlled activities. CA 2006 needs to be workable with this section and its effect excluded.

1.7. Accounting standards have gone awry over the last two decades and are no longer capable of being read through from start to finish and understood by an educated company director (or articulated clerk / trainee / apprentice). The proliferation of acronyms continues to worsen and the use of hyper links to long complex important records, especially those identifying policy, which are enlightening, give the strong impression that the preparer of the document in which the hyper link appears, knows about it but they have neither read and understood it properly nor evaluated its impact on the document they created.

1.8. Importantly, it is impossible to find the first emanating standard to get to grips with the application of principles. The standard should be accompanied by guidelines, specific examples and practice notes which are non-binding. In many instances, the effect of adding complexity on complexity is that the original intention is obscured. There is no publicly accessible library with informed librarian provided by FRC in every local authority. This is the UK Competent Authority and Standard Setter. Therefore the public has nowhere to go to inform itself sufficiently to respond to an Equalities Act Consultation. FRC is not forthcoming under FoI unless taken to court. There are complaints in Parliament (anecdotal evidence) that MPs pass changes and law not fully appraised of the impact on the public, until faced with their constituents who are in a pickle and knots, and there is no operational route to get a correction done. The (potential) office holder must have had practical experience of these closed doors and be inspired in breaking them down publicly, so the public can know what it is doing when drawing up a set of accounts. Without this, the whole system of standards is impenetrable spaghetti, and does not inspire confidence.

1.9. The (potential) office holder must be informed about taxonomy and the spread from the USA for SEC and other filings. This is being forced on the UK public, with the looming deadline of April 2028, when Companies House will not permit filings of report and accounts in paper or PDF. Annual report and accounts as they currently are will be a thing of the past. These contain cohesive financial and reporting information. The intention is that this is set aside and numbers (data) from the statements deriving from the spaghetti of standards are coded and reported using a software translation tool, publicised as “open source” but with a platform controlled and managed in the US, itself traded. Offences are with reference to this product. This data is traded without consent between Companies House; HMRC; “Insolvency Service” operator of the Paymaster General’s account and accountable to no-one (part of the same Business and Trade Dept as FRC). The FRC says it is responsible for publishing the complete taxonomy for all standards (and is planning on doing it in November). It has hired an Agile contractor and two others also unqualified to operate in its name. There is no oversight from AAT in FRC or any of the directors, none of whom have written publicly to the SoS to halt the exercise. Although they have carried out a consultation, objections will not be published.

1.10. At the best of times censorship is a bad thing. Doing away with Companies House effectively, and operating a system of oppressive fines if the underlying data is not translated into the language, based on FRC’s categories, based on its standards, is a catastrophe.



No longer are directors able to understand and apply accounting standards based on their analysis of the transactions and risks. The creator of the standards becomes the preparer essentially, with the result being in the name of the office holders. Anyone looking for a report and accounts which hang together and officers can explain to members, will not be able to find them. Companies Acts are not based on “data”.

Each of items 1.1 to 1.10 is sufficient to scupper the approach to director appointments (number) and move to an alternative which is to identify urgent issues which threaten stability of markets and leave voids and find people with a track-record of doing something about it. UKEB has no influence over FRC and cannot stop the November publication even if it thought FRC is endorsing the demise of Companies House.

[1] [2] [3] [4] Board size and geographical allocation of board members

2. The UKEB's DCL does not support the ED proposal to amend the geographical allocation of members. The UKEB DCL proposes that the Trustees preserve stronger geographical representation requirements linked to jurisdictions and capital markets that adopt IFRS Accounting Standards. Do you agree with the position in the DCL? If not, please give the rationale for your answer to question 2.

Yes ☐

No ☒ X

Explanation:

2. International and global trade happens regardless of accounting standards adopted. International consolidations also straddle jurisdiction. Geopolitics plays a very large part. Pricing and risk are driven by war, famine, supply chains. The picture changes almost daily. The UKEB approach reflects political alignment which is transient and does not take into account international power broking. Capital markets themselves are volatile. Pegging rock solid standards that directors must understand and apply to volatility in international markets, turns financial statements (set to be a set of software coded or translated data sets) into a gambling casino and knowingly bringing volatility out of the officers control into accounts.

2.1. "Geographical allocation" is mechanical, rather than focussed on relevant experience. For example in Freshfields and KPMG's schemes for cum div ex div, in Germany, one needs outstanding knowledge of German accounting, tax and auditing rules. The choice of competence and experience, must be drawn from global issues which need to be addressed. Therefore "issues" needing to be addressed should be the driver.

[1] [2] [3] [4] Board size and geographical allocation of board members

3: The UKEB DCL does not support the proposed substantial increase in the number of at-large appointments. Do you agree with the position in the DCL? If not, please give the rationale for your answer to question 3.

Yes ☐

No ☒ X

Explanation:

3. What IFRS says:

<https://www.ifrs.org/content/dam/ifrs/project/2015-trustees-review/feedback-statement/feedback-statement-amendments-to-constitution.pdf>

80 The Trustees therefore proposed to amend section 24 of the Foundation's Constitution

to provide for a Board of 14 members, one of whom should be designated as an 'at large' appointment.

Accordingly, the composition of the Board will be as follows:

- *four Board members from Europe;*
- *four Board members from Asia-Oceania;*
- *four Board members from the Americas;*
- *one Board member from Africa; and*
- *one 'at-large' Board member.*

<https://www.ifrs.org/groups/trustees-of-the-ifrs-foundation/appointment-process/>

Further information

When considering potential candidates for At Large vacancies, the Trustees consider the criteria published in the November 2016

Feedback Statement: Trustees' Review of Structure and Effectiveness: Amendments to the IFRS Foundation Constitution:

individuals with global experience who do not fit easily into any one geographical category;

individuals from emerging economies;

individuals from countries that do not fit easily into any one geographical category; or

individuals from one of the specific geographical regions referred to in the Constitution, but who, in the opinion of the Trustees, are assessed as having exceptional skills and experience that would be of benefit to the Trustees as a whole.

3.1. It appears to us that the "at large" description of experience, expertise, eminence is compelling and out to be commended. "Country" or region representation ought to be by specific issues. It looks like in fact, the individuals chosen should be able to draw on input of others rather than being a one man band. These are tough, quasi political jobs (consider interference in elections) and character is very important.

[1] [2] [3] [4] Board size and geographical allocation of board members

4: Do you have any **other comments** on the UKEB's DCL in relation, or the ED proposals, in relation to board size and geographical allocation of members?

Yes ☒

No ☐

Other comments:

4. Global instability, climate devastation, famine, war, geopolitics and national security to say nothing of the uncontrollable activities of the key tech power brokers in AI, means that there has to be constant appraisal, flexibility, and people coming in and contributing. The board needs to be networked down on the ground and mindful of the difficulties the public faces even in a first world country and living and working in City of London and Westminster (or even Manchester or Dublin).

4.1. The catastrophe of "identity verification" in Companies House which bypasses any company secretary (not even required any more) and substitutes US product vendors getting and retaining names, addresses, place and dates of birth, email address other data that is highly private, all of which can be trafficked is an outrage. No sane person would want to be a law abiding person of significant control in an enterprise registered at Companies House. The jobs of staff there have become intolerable.

4.2. The withdrawal of phones and telephone and face to face contact has made much work interacting with the state an impossibility. This is wearing and grossly inefficient. It was possible to agree accounts and walk them to the office by Parliament. Now one needs two or more years training to be an agile product expert to translate data into code based on standards that cannot be substantiated; thereby throwing out the baby with the bathwater. There is an economic cost to this as well as formidable loss of opportunity. The board needs sobriety. SME Alliance members are astounded as to how SMEs have been excluded from deliberations and their evidence censored, despite being preparers of accounts and clients of the professions, as well as seasoned witnesses in Parliament and international commissions.

[5] [6] Attributes of Board members

5: The UKEB DCL raises certain concerns with the ED proposals relating to the attributes of Board members in paragraphs A42 - A51 of the Appendix to the DCL. These include the proposed number of part-time members and the ability for a smaller board to maintain an appropriate balance of skills, professional backgrounds and perspectives. Do you agree with the position in the DCL? If not, please give the rationale for your answer to question 5.

Yes ☐

No ☒ X

Rationale:

5. A smaller board of working visible members, regularly publishing and interacting with the public is more nimble. That fact alone cannot be criticised. Similarly the use of part timers cannot be criticised if they have niche competence not required full time. However this suggests they should not hold board positions but project functions. These are serious jobs and require travelling and mingling to be informed. Therefore we say part timers should not be board appointments but niche jobs. Generally the smaller the board the more flexible it is and can respond more quickly.

5.1. Standards must be constantly under appraisal. They are all due for review to get them back to basic principles free from prescriptive rigidity so the public can really think about the numbers and the notes. The plethora of reports that have been added are obfuscations and are neither read nor understood. The auditor's report referring to a hyperlink to the FRC website has become meaningless because the FRC website is a moving repository where evidence from the public is censored. A report based on moving standards is not a report (at least of the auditor).

5.2. As an observation that does not fit anywhere else, the term "the objective of the standard..." has crept in. Standards are to do with statutory compliance, operation of law, proper accounting, enforcement of articles, discharge of duty, publication of the truth. There is no further "objective".

5.3. Similarly an objective to make companies' accounts look the same so they can be "compared" is absurd. Officers decide on correct treatment and notes.

5.4. There is a tool that is being promoted by FRC that can operate to interrogate the “accounts” made up by translating into the data language called taxonomy. That is completely outrageous since the financial report and accounts are one cohesive document, that can be purchased from Companies House. This alternative allows anonymised remote electronic access and is bound to result in inefficient allocation of resources and investment decisions. Neither FRC nor anyone in government should promote product.

6: Do you have any **other comments** on the ED proposals in relation to attributes of Board members?

Yes ☒

No ☐

Other comments:

6. We feel extremely strongly about this topic. We have made that very clear in our replies throughout this document. If UKEB is collecting everyone’s answer to this question together to consider, please look at all our replies above for our input. We have not repeated it here.

[7] [8] Voting arrangements

7: The UKEB DCL proposes that the Trustees should retain a super majority style voting threshold for publication of Exposure Drafts and Standards. Do you agree with the position in the DCL? If not, please give the rationale for your answer to question 7.

Yes ☐

No ☒ X

Rationale:

7. Voting is meaningless in this context. Objections and thoughts of all members, with feedback from the public made public, should be retained and addressed. Issues are too important for concerns to be over-ridden by voting. In the UK under FoI these must all be logged and made public. How the Delaware structure affects things is anyone's guess. It cannot help.

8: Do you have any **other comments** on the ED proposals in relation to voting arrangements?

Yes ☐

No ☒ X

Other comments:

8. UKEB should in its work programme consider public company voting and the path of the voting card once sent to the registrar. With omnibus and other accounts, members do not actually get voting cards and their investment is pooled so the registrar will not recognise them when they turn up to members' meetings. This problem has been made worse by the disappearance of share certificates and use of cheques. It means that public company registers are now a run of the mill money laundering platform. It becomes obscure who it is who is appointing officers, auditors, adopting accounts, agreeing remuneration.

[9] [10] Other targeted amendments

9: The UKEB DCL recommends the IFRS Trustees enhance transparency regarding how future Board sizes will be determined, retain stronger constitutional safeguards rather than transferring significant discretion to the Trustees, and clarify governance, accountability and reporting arrangements. Do you agree with the position in the DCL? If not, please give the rationale for your answer to question 9.

Yes ☐

No ☒ X

Rationale:

9. We say a smaller board is more nimble and size can change according to need. Flexibility is the key, not transparency on rigidity.

9.1. There is no point to trustees if they do not have discretionary powers.

9.2. "Constitutional safeguards" do not protect from not identifying the big immediate issues and threats to Companies Acts; Companies House; financial report and accounts; and a meaningful indemnity under the articles of a company for an officer with duty to safeguard the assets and goodwill of an enterprise. IFRS trustees and officers are not elected, they just have to remain on the ball, mix with the public and push for stability and continuity in a world that is more mad and unpredictable, than remotely stable or consistent.

10: Do you have any **other comments** on the ED proposals for other targeted amendments?

Yes ☒ X

No ☐

Other comments:

10. Please see our replies to all the questions which could equally have been cited in this section.

[11] Other comments

Other comments

11. Do you have any **other comments** on the UKEB's Draft Comment Letter?

11. Once again thank-you for the opportunity to participate and also for your lively workshops earlier in the summer. We had to work hard in these but it felt productive especially when participants told stories of their own (expert) experiences. Hopefully your teams found these productive as well.

11.1. We repeat other comments we have made before, earlier this year:

UK Endorsement Board could helpfully explain to each of the IASB and the IFRS with each communication, exactly who it is, who it represents (Secretary of State), who it seeks to protect (UK public), which laws it must enforce through its endorsement of standards duties (Companies Acts, including Companies House register, various other registers, as the main list, AIM, over-the counter, international etc) and also how it goes about its business.

Fundamental aspects include the duty to consult and to be able to evaluate impact. If on each occasion, it set this out clearly in its responses, it would force a discipline. This is important in order to avoid rail-roading through changes (or endorsing changes) without either proper consultation or impact evaluation.

In particular what might appear a small tweak to a book-keeping anomaly or inconvenience someone has spotted and complained, can mask fundamental unresolved issues that have been festering for a decade or two but have been masked by a plethora of changing nomenclature, moving provisions from one standard to another, and the habit of using cross references rather than complete sentences in English. In particular the habit from the turn of the millennium of launching projects and running projects, has meant that process has overwhelmed substance. The fundamentals that need to be set out before the public can be asked to contribute, furnishing them with pre-requisite materials to familiarise, is wholly absent.

11.2. Since we have issues in the UK that need to be addressed, it is only fair to IFRS to tell them by way of context to the UKEB reply. We have raised the most serious above from the experience of our members.



[12] Response generator (Large language model)

Response generation

12. Did you/your organisation use a large language model (e.g. Chat GPT, Microsoft Copilot) to create any part of your/its response (response to this Invitation to Comment or a comment letter you are submitting as part of your response)?

Yes ☐

No ☒ X

If you answered yes to Question 12, please specify which model and what prompt(s) you used for the large language model.

N/A



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Tuesday 13 October 2026